

The Challenge:

If you were to ask a senior today, “Did you think you would have to spend upwards of \$4,500-\$5,000 a month in your senior years to get the care you need?” most would reply ‘absolutely not.’

I remember years ago talking with my insurance agent. He was presenting figures on the cost of education for my children who were then thirteen years away from college. The numbers were unbelievable. I thought he had to have miscalculated those figures. Well, fast forward to present day, my daughter completes her fourth year of college: the cost? - Unbelievable!

Now take that scenario and ask a twenty year old, “How much do you think your healthcare will cost when you need a nursing home?” Chances are they too will think the figure is miscalculated, if they can even come up with a reasonable figure to begin with.

Seniors today did not plan on spending \$4,500 to \$5,000 a month for their care. The medical and science fields have done a remarkable job at discovering ways for us to live longer, healthier lives. We no longer have the short life expectancy we once experienced. Researchers and scientists did not realize then that if we now may live until we are 100+ years old, we may not be able to do so in our own homes unless there is assistance, medication, or technology. Did anyone realize then what that assistance-medication, or technology would cost an individual now? What will the cost of care be twenty years from now?

So what happens to this individual who lived comfortably on \$2,000 or less a month who now needs \$5,000 a month in care and medication? Some might say, ‘the government will take care of it or they should have bought insurance.’ Twenty years ago we did not know what types of healthcare services were going to be available much less needed. Assisted living options were minimal if not non-existent. Did we think that our daily blood pressure medication was now going to cost upwards of \$10 a pill? Probably not.

The government is not going to take care of ‘it’. Long term care has to be taken care of by us, the consumer. Long term care insurance has been around for a number of years and today we are seeing more and more policies being written. The policies written today are applicable to today’s standards and needs. The policies written ten plus years ago do not cover everything we now have available to us in 2010.

Possible Solutions:

If only it were just a simple solution. The cost of healthcare is rising. The cost of senior care is rising. My heart breaks when I get the phone call, “Mom needs help but she doesn’t have any money. What do I do?” Thankfully, my organization’s mission that we live daily, is to provide care to seniors regardless of payor source. Now, granted we can’t provide free care to everyone but we do provide a substantial amount of care to people

who did not plan on spending \$4,500 a month for their care. While Medicaid ‘assists’ with some of this cost, it cannot possibly take care of it all.

Options to Consider:

- Plan ahead. Know your options and make a plan for what you will do in the event you need healthcare services.
- Encourage families not to ‘divert’ funds to another source so Mom or Dad is financially eligible for Medicaid. The Medicaid program cannot sustain the growing number of seniors. If Medicaid is the only payor, many healthcare communities limit the number of individuals they can take and some do not accept Medicaid at all. When that happens, the consumer’s choices decrease significantly.
- Encourage young people (40 years or younger) to enroll in long term care insurance and see to it that the coverage provides for future care.
- Assist in keeping healthcare costs down.
- Take good care of ourselves. Get the preventive health checkups and follow physician recommendations.
- When we build new healthcare communities, keep the cost of construction reasonable so that caring for seniors in that structure is feasible to all income levels.

Taking a proactive approach to your healthcare needs will alleviate a lot of stress for you and your family and will ensure that you have what you need when you need it.