

# Your Financial Future:

## How Will You Pay For Long-Term Illness Care?

Chronic illness riders for life insurance can help minimize unexpected financial strain due to a chronic illness by providing access to funds while LIVING.

### WILL IT HAPPEN TO YOU?

**7 in 10 people**



who are age 65 will need chronic illness care later in life.<sup>1</sup>

The number of Americans who need long-term care



**will more than double<sup>3</sup> by 2050**

**9 in 10 people**



who go on long-term care claims do not recover. Only 10% of the market will have a non-permanent condition.<sup>2</sup>

### WHERE WILL CARE COME FROM?

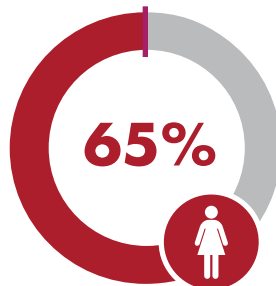
**8 out of 10 people who need long-term care**



**live in private homes**

where about 80% of the care is provided by family and friends.<sup>4</sup>

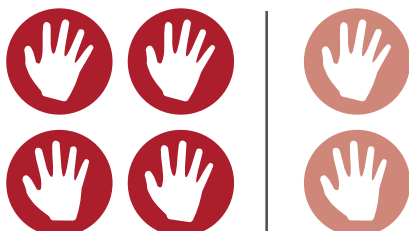
**Nearly two thirds of family caregivers are female (65%)<sup>6</sup>**



**By 2050 the number of available family and friend caregivers will be half what it was in 2010.**

This coincides with the time in which baby boomers will be in the high risk years of life<sup>5</sup>

2010 vs. 2050



The "average" caregiver:



Female, 49 years old



Spends almost 20 hours/week providing unpaid care to mother



Works outside the home



Has been a caregiver for nearly 5 years<sup>7</sup>

# WILL YOU BE ABLE TO AFFORD LONG-TERM CARE?



**Beyond  
100  
days**

Medicare pays

**\$0**

for long-term  
care services<sup>8</sup>

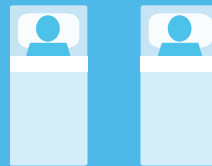
2015 annual median cost of long-term care:<sup>9</sup>

\$91,250



Nursing Home  
(private room)

\$80,300



Nursing Home  
(semi-private room)

\$45,760



Home Health  
Aide

\$44,616



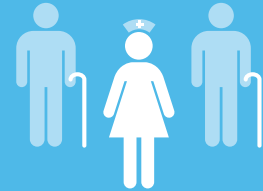
Homemaker  
Services

\$43,200



Assisted Living  
Facility

\$17,904



Adult Day  
Health Center

We offer life insurance solutions that provide product features to access funds that help with unexpected financial strain due to a chronic illness. Our Accelerated Access Solution<sup>®</sup> chronic illness rider can provide access to funds while LIVING.

**That's Optionality!**



Life Insurance with **Optionality**<sup>®</sup>  
*Your needs. Your choices. Your way.*

<sup>1</sup> Centers for Medicare & Medicaid Services 11/14/2014 ([longtermcare.gov/the-basics/who-needs-care/](http://longtermcare.gov/the-basics/who-needs-care/))

<sup>2</sup> Society of Actuaries: "Long-Term Care Risk Management: Re-Pricing In-Force Policies", 2014

<sup>3</sup> S. Kaye, C. Harrington, and M. Lapiente (2010). Analysis of 2005 SIPP, 2007 NHIS, 2007 NHHS, and the 2005-2006 Medical Expenditure Survey

<sup>4</sup> Congressional Budget Office "Rising Demand for Long-Term Services and Supports for Elderly People" June 2013

<sup>5</sup> The Aging of the Baby Boom and the Growing Care Gap: A Look at Future Declines in the Availability of Family Caregivers; AARP Public Policy Institute August 2013

<sup>6</sup> Donald Redfoot, Lynn Feinberg, and Ari Houser, AARP Public Policy Institute. The Aging of the Baby Boom and the Growing Care Gap: A Look at Future Declines in the Availability of Family Caregivers. Insight on the Issues 85, August 2013

<sup>7</sup> Feinberg L. Testimony before the Commission On Long-Term Care. "Populations in need of LTSS and service delivery issues." AARP Public Policy Institute July 17, 2013.

<sup>8</sup> Centers for Medicare & Medicaid Services, "Medicare coverage of Skilled Nursing Facility Care" [medicare.gov/Pubs/pdf/10153.pdf](http://medicare.gov/Pubs/pdf/10153.pdf), January, 2015

<sup>9</sup> Genworth 2015 Cost of Care Survey, Home Care Providers, Adult Day Health Care Facilities, Assisted Living Facilities and Nursing Homes; 03/20/15

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