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The 'Real' Meaning of Long term health care insurance

AN OVERVIEW

1. What kind of client could use long term health care insurance?

Frankly, I recommend it to all of my clients. Statistics bear out that 50% of the aging population will require some long term health care. With those odds, and new diseases and conditions being discovered every year, I feel a professional responsibility to recommend the policies to all of my clients.

2. What do they cost?

I prefer not to answer that right now. It has been my experience that clients ask what the cost of an insurance product is so that they have a reason to say no to the purchase. With life insurance, that is their choice, because life insurance benefits their heirs, and they have a right to judge whether or not they want to spend their hard earned money to provide additional inheritance funds for their children.

3. Well, isn't long term health care insurance the same thing, the parents invest in the policy to protect their children's inheritance?

Frankly, I am glad you asked that question the way you did. You could not be more wrong. In my mind, long term health care insurance has nothing to do with preserving a child's inheritance; it has to do with preserving the dignity and privacy of my client.

4. I don't understand, how is your client's dignity and privacy at risk?

Now that I have your interest focused in the direction I want, let's discuss what has to happen before the need for long term health care is needed. For purposes of our discussion, the need for long term health care is when the client needs regular assistance with typical body functions such as eating, bathing, normal morning washing, and elimination. These are the most basic of body functions. They are the activities that most individuals consider extremely private and the assistance in performing such activities can result in a loss of dignity.

5. I don't know, in the past, families took care of one another and things seemed to work out fine, what's different now?

There is an entirely new family dynamic now. Families are spread all over the country; both spouses are working, but you are starting to deal with the question of why should I buy long term health care insurance again. You are searching for alternatives, and I think that takes the focus away from the fact that the client is the one that needs the insurance and they need to be convinced of it.

6. I don't know, I put my children through school, fed them, clothed them, why should I spend my retirement money on this insurance, all it does is increase their inheritance because I don't have to pay for long term health care?

I don't mean this critically, but let me give you an example of a client that responded very much as you are. I could not convince her of her problems if she needed long term care. We went around and around, not trying to convince her to buy the insurance that was her decision. Finally, she said: "I took care of my children and they can darn well take care of me." I had only one response to her: "Do you want your son changing your diapers and giving you a bath?"

7. Wow, I never thought of it that way, what did she do?

Honestly, I don't know, but the look on her face when the reality of the situation she was faced with convinces me that she decided the investment was worth protecting her dignity and privacy from the circumstances I described.

8. But what if the client cannot afford the payments?

Good point. Premiums depend upon age, (I always try to get younger clients to purchase the insurance early), state of health, etc. Let's assume that the client really cannot afford the insurance. I generally ask my client if we can meet with her children. I then explain not only what can happen to their parent, but what can happen if they try to take care of the parent. I then mention Medicaid care and ask if they want their parent in a room with eight other people who may have delusions, public elimination problems, etc. At that point I suggest that the family consider a group payment for the policy and leave them in the conference room to discuss it. You would be surprised at the number of families that see the need and agree to group finance it.

**9. You have convinced me, it is a much different subject than “what does it cost,” it is more of a how can we preserve our parents’ dignity at the end.
Thanks**