

Selling Long Term Care Insurance: First Do Your Own Personal Run Through©

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Before any advisor attempts to sell long term care insurance, I believe (s)he should examine her own life and plan for her own care. This hands on experience then provides the confidence needed to approach clients, and points out where the gaps are in the advisor's planning process.

Since women are at the top of the risk list for needing long term care, let's work with an advisor named Mary and create a long term care plan for her parents.

Mary is 52 years old; like many others her age she is asking herself the following questions:

- When will I (be able to) retire?
- Will I be able to afford uninsured retirement medical expenses?
- Who will I end up caring for – my parents, my friends, myself?

Mary is going to use her own long term care planning experience to help her better understand how to help her clients cope with aging and planning for care.

So let's get going.

Step One: Assess the need

Mary knows that women live longer, not better, largely because of obesity and arthritis that set in as they age. In a study by Duke University Medical Center 2009 that included 5,888 people 65+, women suffered up to two and a half times more disabilities than men of the same age. Before her research, Mary had never heard of the term Parkinsondiaglaucoma, a word that combines three chronic illnesses—Parkinson's disease, diabetes and glaucoma—that many boomers/seniors suffer from.

Mary's parents are both in the first stage of Alzheimer's disease; as a result she has learned that:

- Half a million Canadians have Alzheimer's disease or a related dementia
- Right now a new case is diagnosed every 5 minutes; by 2038 a new case will be diagnosed every 2 minutes
- Women today make up almost three-quarters of Canadians with Alzheimer's disease

Mary is worried. *How should she handle this risk?*

Step two: Assess the risk for women

Mary knows she will end up caring for her own parents because she is the only daughter, with a brother who lives across the country. She has already started helping her parents around the house and taking them to medical appointments. What she does not know is how long she will be involved in caregiving, if she will have to stop working or how badly her income for both now and her retirement will be affected.

How should she handle these risks?

At least Mary is facing this challenge directly. From her research she has learned that there is a disturbing tendency for many women to avoid the subject of long term care altogether. According to Securian Financial 2008 study:

- A whopping 84 percent of respondents whose parents required care in their final years said no plans were made until care was needed
- Only 18 percent of women had talked to their spouse or partner about long term care

Mary knows she will have to watch her female clients carefully to ensure they do the required planning.

Step Three: Go through the planning process

Mary starts her own planning process by doing the following:

1. Understanding the implications of long term care planning
2. Starting the care conversation - holding a family meeting with her brother and parents to make critical family decisions together BEFORE a crisis occurs
3. Gathering and recording her parents' personal/social/medical/legal history in one place
4. Understanding what support her community can offer
5. Ensuring all legal documentation is current and in place
6. Ensuring all financial documentation is current and in place
7. Creating sources of funding for care
8. Ensuring her parents' home remains a good fit for those with dementia
9. Preparing herself for a medical emergency at any time
10. Re-evaluating the care plan regularly

Step Four: Locate any resources she may need

Mary has the names of aging/long term care specialists she can call on. She has contacted the Alzheimer Society for information and support; she also understands how her provincial health care system works and whom she needs to contact to arrange home care and long term care for her parents when the time comes.

Step Five: Manage her own personal risk factors

Because she is female, single, self-employed and has two parents with dementia, Mary knows she needs to make some serious decisions about her personal and financial future.

She decides to:

1. Apply for long term care insurance, which together with her critical illness policy will provide the income she needs when her health starts to fail.
2. She lives alone, with no immediate family to support her should she become critically or chronically ill. She decides to build a serious network of female friends whose main purpose is to be there for each other to provide care and support when needed.
3. Finally, she knows her odds of suffering from dementia are higher than normal. Although there are no drugs yet available she can take to reduce her own risk, she knows what is good for her heart is good for her head, and she decides to make some tough lifestyle changes to create her own anti-Alzheimer's program.

She starts a regular vigorous exercise program to help reduce her stress, she sees her doctor for annual check ups, she watches her blood pressure, which is on the high side and ensures that she eats a balanced brain – healthy diet. She knows that an active, stimulated brain will reduce her odds of developing Alzheimer's, so she sets time aside to learn something new every day, does riddles and plays strategy games. She also keeps her brain engaged by taking a new route to work once a week, eating with her other hand and rearranging her computer desktop.

Mary faces some tough years ahead as her parents become increasingly more cognitively impaired and dependent upon her. But she knows millions of other families are going through the same experience. She will turn her personal adversity into an opportunity to help her clients because she accepts that:

- Her clients are aging - so is she
- Her clients have aging parents - so does she
- Long term care is an inevitable life event
- Her knowledge and personal experience will not only add value to client service but will create a new service
- Her long term care service will provide a huge practice point of difference
- **And she knows it's the right thing to do**

Mary's Resource List

The Long Term Care Planning Network www.ltcplanningnetwork.com

The Alzheimer Society www.alzheimer.ca

The Forgetting Alzheimer's: Portrait of an Epidemic by David Shenk

