

ARTICLE

A useful LTCI factsheet for prospects

BY MARGIE BARRIE

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Q. I'm finding that many people are interested in discussing [LTC insurance](#). Can you provide some LTC facts to use in casual conversations when networking or when meeting with prospects?

A. Being able to speak knowledgeably about this insurance definitely helps. A few facts sprinkled into [a conversation](#) can frequently lead to an appointment.

Here are facts you should know (the sources are listed at the end of the story):

Cost of care

Nursing Home	Average Daily Rate	Average Annual Rate
Private Room	\$247	\$90,155
Semi-private Room	\$215	\$78,475
	Average Monthly Base Rate	Average Annual Base Rate
Assisted-living Facility	\$2,930	\$35,160
	HHA/CNA Hourly Rate	LPN Average Hourly Rate
Home Healthcare	\$21	\$54

The Need

Roughly 70 percent of people over age 65 will require some form of long-term care, and more than 30 percent will receive some nursing home care in their future. (2)

Nearly 20 percent of Americans age 65 will live in a [nursing home](#) for at least one year with 5 percent spending at least five years in a nursing home facility. (3)

The typical age when patients enter an assisted living community is 80. The average stay in an assisted living facility, among those surveyed, is 42 months or nearly four years. (4)

Among those who have personally required care, 67 percent say they received home health care, 21 percent received care in a nursing home, and 12 percent in an assisted living facility. (5)

Greater longevity among the [baby boomer generation](#) will contribute to increased demand for long-term care services. Those surviving to age 65 can expect to live an average of 20 more years. (6)

The concern

74 percent of consumers age 55 to 65 said they are concerned about needing some kind of long term care. (7)

Women, who are more likely to need long-term care services, have a [higher degree of concern](#) than men about needing long-term care in the future. (8)

People are five times more worried about being a burden on their families (55 percent) than dying (10 percent). (9)

Retirees in good health face higher lifetime health care costs than those in poor health. There are three reasons why the healthy may incur higher health care costs than sick people over a lifetime: Those in good health live longer, eventually become less healthy and often need nursing home care. (10)

“Confusion” (65 percent) is the biggest barrier to purchasing long term care insurance, aside from cost. (11)

SOURCES –

(1) “Long-Term Care Cost Study,” 2010 Prudential Research Report, page. 23

(2) IBID, page 7

(3) IBID, pg.9

(4) IBID, pg.14

(5) IBID, pg. 18

(6) IBID pg. 7

(7) IBID, pg. 17

(8) IBID, pg. 17

(9) Age Wave/Harris Interactive Survey, “America Talks: Protecting Our Families’ Financial Futures,” April, 2010

(10) Center for Retirement Research at Boston College, June, 2010

(11) Age Wave/Harris Interactive Survey, “America Talks: Protecting Our Families’ Financial Futures,” April, 2010

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