



Genworth®  
Financial



## HOW WILL YOU PAY FOR LONG TERM CARE

**HELP PROTECT YOUR LIFESTYLE AND ASSETS**

Underwritten by  
Genworth Life Insurance Company of New York

# COULD IT HAPPEN TO ME?

## IT COULD HAPPEN TO ANYONE, AT ANY TIME.

Everyone is at risk, not only of having a family member in need of long term care, but of needing assistance themselves. In fact, the Health Insurance Association of America (now America's Health Insurance Plans) estimates that more than 13 million people in the United States need long term care as a result of a disabling or long term medical or physical condition.<sup>1</sup> Accidents and illnesses can happen to anyone, at anytime, and they often occur without warning.

While people may recognize long term care costs as a significant risk to their standard of living, many don't have a plan to minimize that risk.

Planning for long term care is critical ... and long term care insurance can be a critical part of the plan.

**Do you know anyone who has required long term care?**

Yes  No

**Do you believe you could need long term care some day?**

Yes  No



<sup>1</sup> "Disability Insurance Provider Unveils Group Of Long-Term Care Insurance Options."  
*Biotech Week*. 01/05/05

# HOW MUCH COULD IT COST?

**How much do you think nursing home care costs in your area?**

\$ \_\_\_\_\_

**How long would you be able to pay for the type of care you may need?**

*Based on cost of care and personal savings/assets*

\_\_\_\_\_ **Years**

**Do you believe the need for long term care could cause you to spend much of your life savings?**

**Yes**    **No**

## **YOU COULD SPEND MUCH OF YOUR LIFE SAVINGS PAYING FOR CARE.**

- The average annual cost for a private room in a nursing home in metropolitan New York City is \$133,663, and \$88,461 in the rest of New York.<sup>2</sup>
- According to the National Alliance for Caregiving and AARP, the average length of time for receiving home care is 4.3 years.<sup>3</sup>
- According to the Federal Long Term Care Insurance Program, by the year 2030, the national annual cost of a semi-private room in a nursing home will be \$190,600, costs for an assisted living [care] facility will be \$109,300 and home care costs will climb to \$68,000.<sup>4</sup>



<sup>2</sup> "Genworth Financial 2005 Cost of Care Survey." Conducted by CareScout. May 2005.

<sup>3</sup> "Caregiving in the U.S." National Alliance for Caregiving and AARP. 2004.

<sup>4</sup> "Sell LTC to Boomers, But don't overlook the 65+ Market." *National Underwriter*. 4/19/04

# WHAT ARE THE OPTIONS?

**THERE ARE MANY OPTIONS TO CONSIDER, HERE ARE JUST A FEW.**

## **Option 1: Public Programs**

You probably can't rely on Medicare. On a nationwide basis, Medicare only covers about 11 percent of nursing home care costs and 24 percent of home health costs.<sup>5</sup> And it pays only for post-hospital, short-term rehabilitative care and short nursing visits.<sup>6</sup>

Medicare Supplement Plans don't offer much help, either. These plans usually only cover co-payments, deductibles of the limited benefits, and services covered by Medicare.

Nor do you want to rely upon Medicaid. In order to qualify, you have to spend-down your assets to the state's poverty level.

## **Option 2: Private/Family Support**

Of course, family and friends might care for you. Initially, this may look like a good solution. However, ask yourself: Will they have time to help me? Can they provide the type of care I may need? Do I want to ask this of them?

There are numerous physical, financial, emotional, and geographical requirements that can make relying upon family or friends an undesirable and unrealistic option.

## **Option 3: Self-Insure**

You might not realize it, but right now you're self-insured, unless you're otherwise covered. Without coverage, you have assumed the primary financial risk for the costs of long term care.

**Do you want to rely on Medicare or Medicare Supplement Insurance?**

Yes  No

**Do you want to rely on Medicaid?**

Yes  No

**Do you want to be dependent upon family or friends for care?**

Yes  No

<sup>5</sup> Centers for Medicare and Medicare Services  
Office of the Actuary, 2005 Projected Expenses,  
Data released January 2004

<sup>6</sup>

<u>Medicare Pays</u>	<u>Days</u>
100%	1-20
Costs that exceed \$119 a day, which you must pay	21-100
Nothing	100+

Source: "Medicare & You 2006" U.S. Department of Health and Human Services. September 2005

# WHY CONSIDER INSURANCE?

## YOU ALREADY INSURE OTHER RISKS.

Asset protection is essential to financial stability. No doubt you have already taken steps to ensure your financial well-being in the event of accidents. You may have life and health insurance, as well as insurance for your home and car. These are practical approaches to transferring the risk of unwelcome expenses away from you and your loved ones.

If you're like most people, you also set aside funds for retirement. After all, people are living longer. However, when you get old, you may get sick, and when you get sick, you may need care. It doesn't take much to imagine the effect that can have on your retirement plans. Have you allocated funds from your retirement portfolio to help pay for long term care?

**Have you taken steps to help protect yourself against the financial drain of long term care, as you have with other risks?**

Yes  No

**Is there any greater risk that you face besides long term care?**

Yes  No

**How would you prefer to pay for the high costs of long term care?**

Personal savings and assets  
 Insurance

Weighing all of the risks and costs is critical. It helps you to determine the amount of protection you need in order to secure your assets and savings.

Long term care insurance helps cover the costs of long term care. It doesn't replace what families do; it builds on your existing infrastructure of support, so caregivers can provide care better and longer.

In short, long term care insurance can help you maintain your lifestyle, protect your assets and savings, and give you the options necessary to receive quality care and services.



# WHO CAN HELP?

## WE CAN ... LONG TERM CARE INSURANCE IS THE ANSWER.



Our Long Term Care Insurance Division helped pioneer the development of long term care insurance more than 30 years ago, and we've been an industry leader ever since.<sup>7</sup> Our commitment and success are reflected in our ratings by the leading independent analysts.

Meeting the needs of our policyholders is a priority, and we have a proven track record of paying claims. Over the years, more people have trusted our long term care insurance products to cover their long term care costs than those of any other insurer.

We have comprehensive insurance products that can be tailored to suit your needs and you can depend on us to provide you with quality insurance.

### COMPANY RATINGS BY INDEPENDENT ANALYSTS

<b>A+ (Superior)<sup>8</sup></b> (2nd highest of 16 ratings)	<b>A.M. Best</b> Financial strength and operating performance
<b>AA- (Very Strong)<sup>8</sup></b> (4th highest of 21 ratings)	<b>Standard &amp; Poor's</b> Claims-paying ability
<b>Aa3 (Excellent)<sup>8</sup></b> (4th highest of 21 ratings)	<b>Moody's</b> Financial strength

<sup>7</sup> LifePlans 2004 Long Term Care Individual and Group Association Top Writers Survey Results. Based on number of policies sold and annualized premium income. Survey results are available upon request from the company or one of our insurance agents.

<sup>8</sup> As of 9/30/05. Ratings refer only to overall financial status and are not a recommendation of the specific policy provisions, rates or practices of the insurance company.

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Long term care insurance underwritten by Genworth Life Insurance Company of New York,  
policy form series 51012, 51013 and 51014.