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Who Pays for Long-Term Care: Exploring the Options

The population of older adults continues to increase as people live longer, healthier lives. However, as people age, the chances of needing long-term care also increase. One of the challenges facing older adults is paying for long-term care. According to the Center for Retirement Research, only about 20 percent of people over age 65 will never require long-term care support, and 22 percent will need more than three years of care. With this in mind, many wonder how they will pay for these services.

Long-term care provides various services that help with medical and non-medical needs for people who need help caring for themselves over a long period. Typical services include bathing, dressing, using the bathroom, eating, and preparing meals. Medicare will not pay for long-term care in a nursing facility. Medicare will pay for skilled nursing after a qualifying hospital stay. It is very important to understand the difference so that you are not caught off-guard believing you are covered for long-term care expenses. There are some ways that you can pay for long-term care.

1. **Long-term Care Insurance:** Long-term care insurance is designed to cover the cost of all or part of the care you need. You will pay a premium now on the chance that you may need long-term care at a later time. According to the Kansas Insurance Department, Long-term Care insurance "may be a good fit if you are seeking financial stability." Long-term care insurance is not for everyone; there are things you need to consider before you purchase. Many policies have elimination periods where you will pay out of pocket for care for a certain period before the insurance helps you cover the cost. The benefit period is how long you want your benefit to pay out. The longer the benefit period, the higher the price of the premium. Also, make sure you will be able to continue to pay the monthly premiums in the future. Sometimes, you could lose what you have paid into the plan if you fail to pay the premium.
2. **Medicaid:** Medicaid in Kansas is called KanCare. For those who qualify, KanCare can help cover the cost of long-term care in a nursing facility, including room and board, medical, and custodial services. Eligibility is based on financial need and determined by the State of Kansas.
3. **Personal Funds:** Many individuals will find that they will have to pay for care through their finances; this includes savings, retirement funds, annuities, or selling assets like a home or land.

While other options are available, such as veterans' benefits and hybrid life insurance policies, most people use the above-listed sources. Planning for long-term care takes careful consideration of the options. You can also consult with a financial planner or an elder care specialist. Your local Area Agency on Aging is also an excellent resource. You can find additional resources at the Kansas Insurance Department at www.insurance.kansas.gov.