



## The cost of long-term care

The Lincoln National Life  
Insurance Company

Lincoln Life & Annuity  
Company of New York





## She's looking forward to a long retirement...

The purpose of this communication is the solicitation of insurance. Contact will be made by an insurance agent or insurance company.

Two separate companies issue linked benefits life insurance policies. New York policies are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY. For all other states, policies are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN. These companies are separately responsible for satisfying their own financial and contractual obligations.

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# Long-term care is more than a nursing home.

Long-term care is usually defined as personal or medical assistance with the Activities of Daily Living (ADLs), which include bathing, dressing, continence, eating, toileting, and transferring (e.g., moving from a wheelchair to a bed).

There are several types of long-term care services, depending upon your level of independence.

## Assisted living

Assisted living provides help with bathing and dressing, medication reminders, and light housekeeping. It's designed to assist those with minimal needs to remain as independent as possible.

## Adult daycare

For those who want to remain at home, but need help with Activities of Daily Living while a caretaker is at work, adult daycare can be a good solution. Meals and some medical monitoring services are usually included, and transportation may also be available.

## Home care

Home care can include companions to assist with housekeeping, cooking, and shopping. It can also include medical care provided by registered or licensed practical nurses. Home care can be part-time or full-time, depending upon your needs.

## Nursing home

Nursing home services are mostly for those who need more intensive medical care, such as wound care, rehabilitation, or help with respirators or ventilators. Nursing home care may be temporary (recovering from surgery or an injury), or permanent (end-of-life services).

## The costs of long-term care

According to the United States Department of Health and Human Services—National Clearinghouse for Long-Term Care Information, the national averages in 2007 for various types of long-term care are shown here. These costs may vary by region.

Long-term care service	Costs
Home health aide	\$25 per hour
Assisted living unit	\$2,714 per month
Nursing home/ semi-private room	\$181 per day, or \$66,065 per year
Nursing home/ private room	\$205 per day, or \$74,825 per year

Source: [www.longtermcare.gov](http://www.longtermcare.gov). March 26, 2008.



## Paying for long-term care

Can you realistically protect your retirement assets and income while covering long-term care costs?

This chart compares common ways of paying for long-term care and common advantages and disadvantages of each.

Your own circumstances should be considered before choosing one or more of these options. Discuss them with your licensed insurance agent, who can provide more detailed information, including associated costs and fees as they pertain to each alternative.

Option	Advantages
<b>Personal savings</b> CDs, mutual funds, individual stocks and bonds.	You can obtain the type of long-term care you prefer.
<b>Retirement income</b> 401(k), 403(b), pension plan	If it will cover long-term care costs, you won't have to spend down your other assets.
<b>Long-term care insurance</b> Specific medical expense coverage related to long-term care.	You may not have to spend down your retirement assets.
<b>Linked or accelerated benefits life insurance</b> Accelerates policy's death benefit to reimburse qualified long-term care expenses.	<ul style="list-style-type: none"><li>• Some policies allow a one-time premium.</li><li>• Some policies offer return of premium riders* (For an additional cost).</li><li>• You could have more money to pay for long term care than the actual premium paid.</li></ul>

\*Not available in all states.

## What's the next step?

Be sure that you've done as much as you can to protect yourself should you need some type of long-term care in the future.

Take action now. Discuss your current situation and needs with your licensed insurance agent. Together, you can determine which could be the best option for you.

### Disadvantages

You'll need to accurately estimate future costs of long-term care, and set aside enough money to cover those costs for several years.

- It may not be enough to cover long-term care costs, especially if a married couple is living on one income and one spouse requires long-term care.
- Ongoing premiums vary depending on benefits and benefit periods.
- If you never require long-term care, the premiums may not be returnable.
- You may have to pay for care up front, then be reimbursed by the insurance company.
- Any loans, withdrawals, or benefits paid will reduce the amount of any premiums returned.
- Returned premiums may have tax implications.
- You may have to pay for care up front, then be reimbursed by the insurance company.

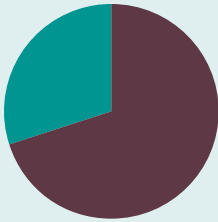
## ...but what if she needs long-term care?

What is long-term care?

How much can it cost?

Can you protect yourself from the potential costs?

This brochure may be able to answer some of your questions.



At least 70% of individuals over age 65 will require some long-term care services at some point in their lives.<sup>1</sup>

<sup>1</sup>U.S. Department of Health and Human Services — National Clearinghouse for LTC Information, [www.longtermcare.gov](http://www.longtermcare.gov). March 26, 2008.

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LCN0811-2023447  
LIF-MG-08-0280  
MG-LTC-BRC009\_Z01  
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