

## Evaluating a Long-Term Care Policy

The policy under consideration provides for the cost of care at which of the following:

- Skilled nursing facilities
- Custodial nursing facilities
- Assisted living facilities
- Adult day care
- Home healthcare

Under what conditions will the policy begin to pay benefits?

- Inability to perform (preferably no more than two) specific activities of daily living, including bathing, dressing, eating, toileting, and transferring.
- Cognitive impairment, such as a stroke, Alzheimer's, or Parkinson's disease
- Certification by a doctor stating that long-term care is medically necessary, and, if so, will the policy allow for your doctor to provide the certification?

When will benefits begin?

- Is hospitalization required immediately before long-term care benefits will be paid?
- How long is the waiting period before benefits will begin?

How long will benefits last? (Typically, benefit periods range from two years to lifetime.)

- Is the policy structured to pay on a flat dollar amount per day or based on actual costs up to that dollar amount?
- Is there inflation protection on the benefit?
- If there is inflation protection available, what is the inflation rate and is it simple or compounded?

Other features to consider:

- Does the policy allow you — not the insurance company — to choose a doctor?
- Is the policy guaranteed renewable?
- Is there a waiver of premium in the event benefits are being paid out?
- Does this company offer a joint long-term care policy for couples, married or not?