



**2019 – 2020 Edition**  
**Latest Savings Ideas & Costs**

# **4 Ways to Reduce *the* Cost of Long-Term Care Insurance**



*American Association*  
**for Long-Term Care Insurance**  
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## Ways to Save on Long-Term Care Insurance - 2019 / 2020 Edition

There are ways to reduce the cost of a new long-term care insurance policy.

Here are several ideas taken from the American Association for Long-Term Care Insurance's guide and author, expert, Jesse Slome.

With life insurance or car insurance you can enter a few details like your age and your sex, click a button and get instant rates. Long-term care insurance is very different.

There are multiple moving parts, such as how much coverage you want? The insurer will factor in your current health based on medications prescribed and other health-related factors.

Prices for virtually identical long-term care insurance coverage can vary significantly. The Association's 2019 Price Index Comparison found that **one virtually identical policy could cost 100% more than another**. There is **NO** reason to pay more than you need to for this important protection.

Perhaps the smartest thing you can do is to work with a knowledgeable long-term care specialist. Look for one who is an independent broker 'appointed' with multiple insurance companies. He or she can help you find the best coverage for the best (lowest) price.

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### WAY TO SAVE IDEA #1

#### Compare a lower Inflation Growth option.

You can **save from 25-to-35% yearly** by choosing a 2% compound yearly growth (inflation) option versus the 3% growth factor. Not all LTC insurance companies offer multiple Inflation Growth Options. A LTC specialist will know which companies offer multiple options.

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### WAY TO SAVE IDEA #2

#### For Spouses: Consider A Shared Care Rider.

This Rider allows each spouse to tap into the other spouses pool of benefits and could help you **save from 15-to-28 percent yearly**. Ask the specialist to show you pricing less coverage for EACH spouse WITH the Shared Care Rider. Shared Care options not offered by all insurers and provisions can vary by State.

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### WAY TO SAVE IDEA #3

#### Co-Insure Part Of The Cost.

Even Medicare has 'co-insurance' where you may pay some of the cost. You can **save 18-to-32% yearly** by considering coverage where (worst case scenario) you may have to share in some of the cost. But keep this in mind: most long-term care insurance claims pay for care in your own home (not a skilled nursing facility). A smaller benefit may be more than sufficient to cover all of these costs.

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### WAY TO SAVE IDEA #4

#### Compare Before You Sign

The Association's 2019 Price Index Comparison revealed a **101.5% difference** between the lowest and the highest long-term care insurance premium for a couple who were both age 60.

The key question to ask your insurance professional is **"HOW MANY LONG-TERM CARE INSURANCE COMPANIES ARE YOU "APPOINTED" WITH?"** Appointed is insurance industry jargon. Some insurance professionals are only appointed with one company (agents of that company). Others are "insurance brokers" who can be appointed with multiple companies.

Unlike other insurance products where you can switch companies in the future. **It almost never pays to switch your long-term care insurance company.** So, making the right decision about which company you select is probably the second most important decision you'll make. The first is to look into this important and very necessary protection.

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