Americans are living longer than ever before. Take time now to understand the impact long-term care may have on your plans for retirement.

What is long-term care?
Long-term care services can help individuals meet the basic daily needs of life over an extended period of time. These include assistance with daily tasks such as bathing, dressing, eating and in-home mobility. Other common care services and support may include preparing meals, housework, administering medication and shopping for groceries. These services help create the potential for you to remain independent in your home and community.

How likely is it that I will need this kind of help?
It is estimated that 12 million older Americans will need long-term care by 2020. Most will be cared for at home, but a study by the U.S. Department of Health and Human Services found that people who reach age 65 have a 70 percent chance of needing long-term care services.1

How much does long-term care cost?
Long-term care expenses can add up quickly and erode your retirement nest egg. The national median cost for home health aide for an eight-hour day is more than $45,000 annually. Full-time nursing home care in the U.S. has a median cost of roughly $80,000 annually. It is expected that in 30 years, one year of care alone will cost $250,000.1,3

Won’t Medicare or other health insurance cover long-term care expenses?
Health insurance may only pay for doctor and hospital bills. Medicare will cover skilled care for periods up to 100 days, but only if certain requirements are met. If you need care for an extended period of time, you may be required to spend...

1 Genworth 2015 Cost of Care Survey, conducted by CareScout.
3 American Association for Long-Term Care Insurance Sourcebook, 2012.
RealSteps®
Long-Term Care Insurance

Consider how you would pay for extended care.
What potential impact would the expenses of long-term care have on your retirement or savings?

down your assets before Medicaid will cover costs, leaving you with less choice about the care you receive.

What is long-term care insurance?
Long-term care insurance provides benefits that may cover the basic needs or activities of daily living described above while providing a choice of remaining in your own home or having a say in where you will receive care. This kind of coverage can help protect your assets from being depleted and help avoid putting both financial and caregiver pressure on family members. Coverage and terms may vary, so you’ll want to discuss with a licensed insurance professional before purchasing.

What are my options for receiving care services?
Among the options available to you are:

— Home health care—services provided at your home.

— Assisted living facility—residential care setting that provides housing and support services if you need assistance with daily activities or tasks.

— Nursing home—generally a state-licensed facility that provides room and board and a planned, continuous medical treatment program, including 24-hour per day skilled nursing care, personal care and custodial care.

— Adult day care—community-based daytime supervision providing social, recreational or health assistance away from home during working hours.

What other questions should I consider as I assess my long-term care protection needs?
What potential impact would your need for long-term care have on your family? Toileting, dressing, transferring and eating are some of the “activities of daily living” for which you may require assistance.

How do you feel about receiving these services from your family? How does your family feel about providing you with these services?

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