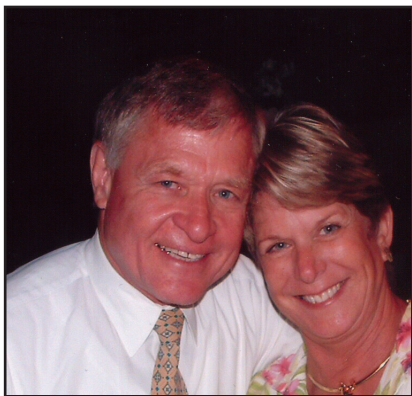


The Hidden Time Bomb in the Boomer Future

By Joe Gahm, CLTC



Joe & Gayle Gahm

When my wife's heart stopped beating for seven minutes on the operating table while undergoing surgery for clogged arteries, little did I know how much that event would change our lives! Surviving without brain damage was a miracle. But it was only later that the realization set in of the potential financial consequences. Had severe brain damage occurred, she would have faced years of nursing home care, which would have likely depleted our retirement savings. We simply had no plan to pay for one person's retirement years and hundreds of thousands of additional dollars for the other's long term care needs.

But what are the choices? If you are under 65 and on any health care plan, they will stop paying as soon as they become aware that you are not recovering. If you are on Medicare and complete a three-day stay in a hospital, Medicare will pick up the tab for the next twenty days in a Skilled Nursing Facility (eg: Nursing Home) and will make a partial contribution for an additional eighty days. What happens after that? You pay! You pay until you spend down your joint assets (not counting your house and car) to approximately \$100,000. [Elder attorneys will advise you to either divorce, and split your assets; or to complete legal papers to accomplish something called 'spousal abandonment,' prior to spending down your assets.] Then the

chronically ill patient may qualify for Medicaid, the government's program for the indigent, to cover Nursing Home costs. The government then tells you what Nursing Home is available to you. But, what happens if your condition doesn't qualify for Nursing Home care? No government program pays for long term care at home or in an Assisted Living Facility – the preferred choices for most people, where choice is still an option.

For a majority of retirees with assets of a couple hundred thousand dollars to \$2M, the only practical protection available today is Long Term Care Insurance (LTCI). This insurance is available from many of the largest and most reputable insurance companies in the world. LTCI pays for long term care in your home, in an Assisted Living Facility and in a Nursing Home. Because you most likely will not need to use these plans for many years, all plans are offered with inflation protection features to protect against the ris-

ing cost of health care. An additional benefit of having such a plan in place is that your family will be able to choose from among the wide variety of care options and facilities available in your area at the time of need.

Six years have passed since "the event." We subsequently purchased Long Term Care Insurance to protect each other from the devastating financial consequences of an unplanned chronic illness, accident, or dementia. We hope never to use it. In July, 2003, we escaped the rat race of Northern Virginia and took up residency on the Eastern Shore of Maryland. Together, we established the 'DelMarVa Long Term Care Insurance Center (delmarva-ltcicenter.com), and are now actively promoting the "peace of mind" benefit that comes with having LTCI. The Center operates as an independent insurance broker with formal relationships with a number of the foremost LTC insurance carriers in the country.



Avoid Mistakes in Buying Long-Term Care Insurance



Provided to you by:
Joe Gahm, CLTC
Certified LTC Specialist

THE DELMARVA
LONG TERM CARE
INSURANCE CENTER

About 10% of people over age 60 have Long Term Care Insurance and more are getting protected everyday. But some didn't get what they thought they got, and others have overpaid. Find out who needs this insurance and how not to over pay!

A Free booklet is available that shows seniors how to determine if they need Long Term Care Insurance, when to get it, how to cut costs, and how to get their premiums refunded if they do not use the insurance.

Call 443-880-2600 to get your FREE copy.

Please leave your name, address, and telephone number.

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