Idahoans Ask: “Should I Purchase Long-Term Care Insurance?”

The Situation
A pressing question facing many Idahoans is how will I pay for Long-Term Care costs? With current Idaho nursing home rates of $67,642/year for a private room, $62,842/year for a semi-private room, and over $30,000/year for an assisted living facility (Idahoans Price Guide to Long-Term Care Insurance and Services Prices, 2007), the costs can quickly deplete an individual’s assets. With these looming costs and the current economic uncertainty facing Idahoans, the question often asked is “Should I Purchase Long-Term Care Insurance?” The purchase of long-term care insurance (LTCI) can be complex, overwhelming, confusing, and expensive. Currently, Idaho has a new State Partnership LTCI program that is being aggressively marketed by insurance companies and their agents. Unfortunately, some consumers are buying LTCI without fully assessing their financial situation and how it fits into their long-term care planning. Therefore, Idahoans need a source for unbiased LTCI information to help them determine if they should spend their resources on long-term care insurance, or use it for something else such as funding their retirement.

Our Response
University of Idaho Extension Educator Lyle Hansen, by request of AARP-Idaho, developed and presented Should I Purchase Long-Term Care Insurance? over the last three years. The PowerPoint presentation provides participants with up-to-date information needed to determine if LTCI is right for them, and if needed, information to make an informed purchasing decision. A Comparing Long-Term Care Insurance worksheet was also developed to help consumers compare and shop for LTCI.

Should I Purchase Long-Term Care Insurance? topics include:
- What is LTCI and when it should and should not be considered
- How to determine if LTCI is right for you
- Steps to follow in evaluating a policy
- Where you can purchase LTCI and how much it costs
- How to customize a policy that is right for you
- Overview of the newly published Idahoans Price Guide to Long-Term Care Insurance and Services Prices

Program Outcomes
In 2008, over 200 Idahoans attended five University of Idaho Extension Long-Term Care Seminars co-sponsored by AARP-Idaho. The seminars were offered in Twin Falls, Burley, Boise, Nampa, and
Idaho Falls. At each seminar, Lyle Hansen presented Should I Purchase Long-Term Care Insurance?.

In post-evaluation surveys, participants were asked to rate their level of agreement on a five point scale (strongly agree, agree, unsure/neutral, disagree, strongly disagree).

- **95%** strongly agreed or agreed they have increased knowledge of what long-term care insurance is and how it works.
- **96%** strongly agreed or agreed they have a better understanding of steps to take in considering the purchase of long-term care insurance.
- **92%** strongly agreed or agreed they have increased knowledge if long-term care insurance is right for them.
- **94%** strongly agreed or agreed they are better prepared to compare and shop for long-term care insurance.
- **95%** strongly agreed or agreed they have a better understanding of what to look for in a long-term care insurance policy.

Furthermore, participants commented:

- “I wish I had this before I purchased mine.”
- “This was a good start on things to consider going into this.”
- “This subject is why we are here today. Thanks!”
- “Well informed, easily understood presentation.”
- “Excellent and to the point.”

### The Future

In partnership with Cathy McDougal from AARP-Idaho, and Genii Hamilton and Nora Wells from the Idaho Department of Insurance, we completed a study in which price information was compiled on LTCI premiums and LTC services in Idaho. This information will help Idahoans be better informed about long-term care and its associated costs.

The result of this effort is captured in a free publication titled; “Idahoans Price Guide to Long-Term Care Insurance and Services Prices.” This guide was published in 2007, and nearly 10,000 copies have been distributed statewide. The publication can be accessed for free at: [http://extension.ag.uidaho.edu/jerome/Idaho%20LTCI%20Price%20Guide.pdf](http://extension.ag.uidaho.edu/jerome/Idaho%20LTCI%20Price%20Guide.pdf).

This is the first comprehensive list of long-term insurance prices and service quotes published in Idaho. Because of the popularity of the guide, we will look into updating it in the coming years.

### For More Information

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