

# Idahoans Guide to Long-term Care Insurance and Services **Prices**

*Planning for long-term care protects your choices, your family, your  
finances*



University of Idaho  
Extension

# Background

This guide was developed to assist you in planning for your long-term care needs. It gives you an idea of how much nursing home care and assisted living cost in your area. It is also the first comprehensive list of long-term care insurance prices and service quotes ever published in Idaho. It is designed to answer some, but not all, of your important questions about long-term care insurance—the available options—and how it can help you pay for long-term care services. And, if you decide to purchase long-term care insurance, the guide will save you time and help you select the policy that best meets your needs.

While nursing home care and assisted living are only some of your long-term care service options, they tend to be the most expensive if you or a loved one needs these services. Knowing what these services cost, along with learning about other services in your community, will help you take charge of your future.

The prices quoted in the guide are only applicable to Idaho and are subject to change at any time. The price you will be quoted may depend on your personal situation. The cost of premiums will vary among companies depending on a person's eligibility for coverage, age at purchase, the length of coverage and the types of benefits chosen. The insurance companies in this guide may also offer more plans than those shown in the comparison chart. This guide is intended to be used as an example only.

To receive more information, have additional questions answered, or get assistance with comparing price quotes or policy options, call the Idaho Department of Insurance Senior Health Insurance Benefits Advisors at: 1-800-247-4422.

## Methods

Long-term care insurance quotes were collected in March and April 2007. Long-term care insurance companies were selected from a list of all companies registered to sell insurance in Idaho. The survey experienced a 93% response rate from insurance companies. Long-term care service quotes were collected in August of 2007. The list of service providers was found on the internet, therefore all service providers in your area may not be listed. Companies unresponsive to the survey are not listed in the guide. Transitional care units were excluded from the survey. All dollar amounts were rounded to nearest whole dollar.

## Authors

The guide was created in collaboration with Cathy McDougall of AARP Idaho, Genii Hamilton and Nora Wells of the Idaho Department of Insurance and Lyle Hansen with the University of Idaho Extension.

## Acknowledgements

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# How This Guide Can Help You Protect Your Choices, Your Family & Your Finances

## Your Current Situation

If you are reading this guide, chances are you are just beginning to think about long-term care. If you or someone you love needs long-term care, you will be happy that you began the process of planning before the need for long-term care becomes an urgent matter. Trying to make good decisions regarding long-term care when the situation becomes a crisis is something that can be avoided by planning ahead while you are still able to direct your own care and make the right decision that will govern your future.

## Long-Term Care Defined

*Long-term care is defined* as a wide range of services and supports that can be provided to you in your home, your community, or in other living arrangements, such as retirement communities, assisted living facilities, or nursing homes. The services help with chronic illness, disabilities, or other conditions that limit you physically or mentally. Long-term care is the help that you get with your activities of daily living such as getting dressed, walking, eating, personal grooming, bathing or using the restroom. Most people needing long-term care only need help with simple, day-to-day activities. Others need skilled nursing care.

## Planning for Long-term Care

Chances are *the most important things to you* are your independence, choice of where to live, not being a burden to your family and having enough money to pay your bills and live comfortably in retirement. Many of us avoid thinking about long-term care. We don't like to think about a time when we might not be able to do everything for ourselves or we think we'll never need long-term care. Planning for long-term care, knowing the costs and checking insurance options are steps that can help you maintain your independence as you age.

## What Is the Likelihood I Will Need Long-term Care?

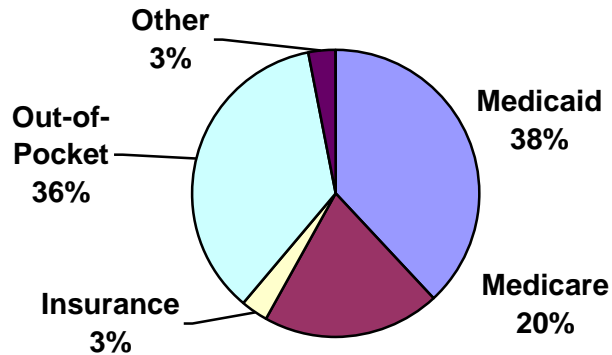
Research shows that on average, 69% of people age 65 and older will need some sort of long-term care in their lifetime. Most of the care is provided at home. Over 80% of this group spends no time or one year or less in a nursing home. Only 13% spend over two years in a nursing home.<sup>1</sup>

# How Can I Plan To Pay For Long-Term Care?

## Ways to Pay for Long-term Care

The three most common ways people pay for long-term care services, are Medicaid, Medicare and out of your own pocket.

Payment of Long-Term Care Services by People Age 65+



Source: The Lewin Group, 2006

## Medicare

Medicare pays for limited nursing home care under strict conditions. Medicare will pay for skilled nursing home care **if** your doctor determines you need the care after you have been in the hospital at least three days. If this situation applies to you, every year, Medicare will cover:

1. Costs for the first 20 days are paid 100% by Medicare
2. You pay \$124 a day (in 2007) for the next 80 days or \$9,920 for 80 days. Certain supplemental Medicare policies (Medigap) and/or employer-sponsored policies can cover some of the co-pays
3. After 100 days, you pay 100% of the costs

Restrictions also apply to Medicare coverage for home health care.

**Bottom line is:** Medicare is not set up to pay for your long-term care needs. **So Don't Count On It!**

## Medicaid

Medicaid pays for the majority of senior long-term care services. Medicaid is funded in Idaho by the Federal and Idaho Governments. Medicaid pays for long-term care services for people who have very limited incomes and assets and who meet the program's functional eligibility requirements. If you have high medical or long-term care costs, you can spend down your assets and become eligible, but you must also meet other program requirements. Spouses have certain protections that allow them to keep part of the couple's income and assets. **For more information about Medicaid in Idaho: Call Toll Free: 211 or 1 (800) 926-2588.**

## Out-of Your Own Pocket

While informal caregivers (family and friends) provide the majority of long-term care, people also purchase services to supplement the care family and friends provide or when help from family is not an option. People can purchase care provided in their homes or they can choose to move and pay for assisted living or care in a nursing home. Sometimes, people spend the majority of their savings for these services, which may make them eligible for Medicaid.

## How Much Does Long-Term Care Cost?

Long-term care services can be expensive depending on the types of services you require and how long you will need them. The previous page explained that you can't count on Medicare to pay for your long-term care, and Medicaid may pay, but only after you have exhausted most of your assets. One way to plan to pay for your long-term care needs is to have an idea of how much the services cost in your community. Below are private pay price quotes for basic skilled care from nursing home facilities in Idaho for private and semi private rooms. All facilities listed accept Medicaid payments.

Nursing homes serve as temporary homes while recovering from an illness, accident or medical procedure such as surgery. They also can serve as permanent homes for people unable to live at home due to illness or frailty.

### Idaho Nursing Home Prices

Private Room = (P)      Semi-Private Room = (SP)						
Nursing Home Name	City	Phone Number	Monthly Cost (P)	Monthly Cost (SP)	Daily Cost (P)	Daily Cost (SP)
Power County Nursing Home	American Falls	226-3200	\$6,083	N/A	\$200	N/A
Lost Rivers Living Center	Arco	527-8206	\$5,475	N/A	\$180	N/A
Ashton Living Center	Ashton	652-7461	\$4,745	\$4,441	\$156	\$146
Bingham Extended Care Facility	Blackfoot	785-4101	N/A	\$6,296	N/A	\$207
Syringa Chalet Nursing Facility	Blackfoot	785-1200	\$14,022	\$14,022	\$461	\$461
Boise Health & Rehab Center	Boise	345-4464	\$6,205	\$5,597	\$204	\$184
Boise Samaritan Village	Boise	343-7726	\$6,175	\$5,870	\$203	\$193
Capitol Care Center	Boise	375-3700	\$5,536	\$4,958	\$176	\$163
Idaho State Veteran's Home	Boise	334-5000	N/A	\$4,076	N/A	\$134
Life Care Center of Boise	Boise	376-5273	\$5,931	\$5,262	\$195	\$173
Life Care Center of Treasure Valley	Boise	377-1900	\$6,540	\$5,931	\$215	\$195
Marquis Care at Shaw Mountain	Boise	343-7717	\$5,931	\$5,536	\$195	\$182
Valley View Retirement Community	Boise	322-0311	\$6,235	\$5,323	\$205	\$175

Private Room = (P)      Semi-Private Room = (SP)						
Nursing Home Name	City	Phone Number	Monthly Cost (P)	Monthly Cost (SP)	Daily Cost (P)	Daily Cost (SP)
Boundary County NRS Home	Bonnors Ferry	267-4847	N/A	\$5,810	N/A	\$191
Snake River Rehab & Living Center	Buhl	543-6401	\$4,623	\$4,471	\$152	\$147
Parke View Care & Rehab Center	Burley	677-3073	\$5,353	\$5,201	\$176	\$171
Caldwell Care Center –Psychiatric	Caldwell	459-1522	\$10,220	\$9,885	\$336	\$325
Ivy Court	Coeur d’Alene	667-6486	\$5,962	\$5,536	\$196	\$182
Lacrosse Health & Rehab Center	Coeur d’Alene	664-2185	\$5,992	\$5,658	\$197	\$186
Life Care Center of Coeur d’Alene	Coeur d’Alene	762-1122	\$5,627	\$5,171	\$185	\$170
Pinewood Care Center	Coeur d’Alene	664-8128	\$5,901	\$5,293	\$194	\$174
Emmett Rehab & Healthcare	Emmett	365-4425	\$5,627	\$5,384	\$185	\$177
SunBridge Care & Rehab for Emmett	Emmett	365-3597	\$5,414	\$5,080	\$178	\$167
Gooding Rehab & Living Center	Gooding	934-5601	\$5,323	\$5,171	\$175	\$170
Grangeville Health & Rehab Center	Grangeville	983-1131	\$4,928	\$4,410	\$162	\$145
Blaine Manor	Hailey	788-7180	\$6,388	\$6,388	\$210	\$210
Owyhee Health & Rehab Center	Homedale	337-3168	\$4,715	\$4,715	\$155	\$155
Idaho Falls Good Samaritan Center	Idaho Falls	523-4795	\$5,688	\$4,380	\$187	\$144
Idaho Falls Health & Rehab	Idaho Falls	529-0067	\$4,928	\$4,745	\$162	\$156
Life Care Center of Idaho Falls	Idaho Falls	529-4567	\$4,867	\$4,532	\$160	\$149
St Benedicts Family Medical Center	Jerome	324-4301	\$6,083	\$6,083	\$200	\$200
Mountain Valley Care & Rehab Center	Kellogg	784-1283	\$5,658	\$5,323	\$186	\$180
Mountain View Care Center	Kimberly	423-5591	\$6,296	\$6,144	\$207	\$202
Idaho State Veteran’s Home	Lewiston	799-3422	N/A	\$4,076	N/A	\$134
Lewiston Rehab & Care Center	Lewiston	743-9543	\$4,775	\$4,623	\$157	\$152
Life Care Center of Lewiston	Lewiston	798-8500	\$5,323	\$4,867	\$175	\$160
The Orchards Rehab & Care Center	Lewiston	743-4558	\$4,867	\$4,867	\$160	\$160
Oneida County Hospital & Long-term Care	Malad	766-2231	\$5,475	\$5,475	\$180	\$180
McCall Rehab & Living Center	McCall	634-2112	N/A	\$5,323	N/A	\$175
Sunbridge Rehab & Living Center	Meridian	888-7049	\$6,935	N/A	\$231	N/A
Bear Lake Memorial Skilled Nursing	Montpelier	847-1630	\$6,448	\$6,327	\$212	\$208
Aspen Park Healthcare	Moscow	882-4576	\$6,144	\$5,566	\$202	\$183

<b>Private Room = (P)      Semi-Private Room = (SP)</b>						
<b>Nursing Home Name</b>	<b>City</b>	<b>Phone Number</b>	<b>Monthly Cost (P)</b>	<b>Monthly Cost (SP)</b>	<b>Daily Cost (P)</b>	<b>Daily Cost (SP)</b>
Moscow Good Samaritan Village	Moscow	882-6560	\$5,445	\$6,570	\$194	\$179
Karcher Estates	Nampa	465-4935	N/A	\$5,171	N/A	\$170
Sunbridge Retirement & Rehab for Nampa	Nampa	467-7298	N/A	\$5,658	N/A	\$186
Trinity Mission Health & Rehab Holly	Nampa	467-5721	\$5,931	\$5,718	\$195	\$188
Trinity Mission Health & Rehab Midland	Nampa	466-7803	\$5,718	\$5,262	\$188	\$173
Clearwater Health & Rehab	Orofino	476-4568	\$4,715	\$4,563	\$155	\$150
Sunbridge Care & Rehab for Payette	Payette	642-4455	\$5,323	\$4,623	\$175	\$152
Beacon Rehabilitation of Pocatello	Pocatello	232-2570	\$5,475	\$4,319	\$180	\$142
Hillcrest Haven Convalescent Center	Pocatello	233-1411	\$4,836	\$4,836	\$159	\$159
Idaho State Veteran's Home - Pocatello	Pocatello	236-6340	N/A	\$4,076	N/A	\$134
Pocatello Care & Rehab Center	Pocatello	239-1898	\$5,779	\$5,627	\$190	\$185
Franklin County Transitional Center	Preston	852-0137	\$6,023	\$5,718	\$209	\$188
Rexburg Nursing Center	Rexburg	356-0220	\$4,928	\$4,593	\$162	\$151
Countryside Care & Rehab	Rupert	436-0481	\$5,232	\$4,563	\$172	\$150
Discovery Care Center of Salmon	Salmon	756-8391	\$5,080	\$4,928	\$167	\$162
Life Care Center of Sandpoint	Sandpoint	265-9299	\$5,293	\$5,110	\$174	\$168
Valley Vista Care Center of Sandpoint	Sandpoint	265-4514	\$5,414	\$5,171	\$178	\$170
Shoshone Rehab & Living Center	Shoshone	886-2228	\$4,775	\$4,775	\$157	\$154
Silver Wood Good Samaritan Center	Silverton	556-1147	\$5,718	\$5,201	\$188	\$171
Caribou Memorial Living Center	Soda Springs	547-3341	\$5,870	\$5,779	\$193	\$190
Bridgeview Estates	Twin Falls	736-3933	\$5,475	\$5,353	\$180	\$176
Sunbridge Care & Rehab for Twin Falls	Twin Falls	734-8645	\$5,201	\$4,836	\$171	\$159
Twin Falls Care Center	Twin Falls	734-4264	\$4,988	\$4,745	\$164	\$156
Weiser Rehab & Care Center	Weiser	549-2416	\$5,049	\$4,836	\$166	\$159
<b>Average Nursing Home Costs Per Month:</b>			<b>Private - \$5,637</b>		<b>Semi-Private - \$5,237</b>	
<b>Average Nursing Home Costs Per Year:</b>			<b>Private - \$67,642</b>		<b>Semi-Private - \$62,842</b>	

Quotes as of August 2007. Prices and coverage are subject to change. Quotes are based upon the lowest quoted prices. The lowest price may be for single or double occupancy. Depending on level of care, prices may be higher. Syringa Chalet nursing center (\$168,265 a year) was not included in the calculation of the average.

## Idaho Assisted Living Prices

Assisted living provides housing and services to individuals who need some assistance with activities such as bathing or getting around at home but who do not need complex medical care. Assisted living facilities do not accept Medicare coverage.

<b>Assisted Living Company Name</b>	<b>City</b>	<b>Phone Number</b>	<b>Cost Per Month Lowest to Highest Quotes</b>	<b>Cost Per Day Lowest to Highest Quotes</b>
Spring Creek Manor-American Falls	American Falls	847-2400	\$2,050 - \$2,850	\$67 - \$94
The Willows	Blackfoot	782-1478	\$2,738 - \$4,563	\$90 - \$150
Bear Lake Manor	Montpelier	847-410	\$2,050 - \$3,250	\$67 - \$107
Aarenbrooke Place – Cory Lane	Boise	367-1300	\$2,600 - \$3,100	\$85 - \$102
Heatherwood Retirement Community	Boise	345-2150	\$1,320 - \$1,650	\$43 - \$54
Heritage Retirement Center-Boise	Boise	376-4191	\$2,100 - \$2,800	\$69 - \$92
Hillcrest	Boise	345-4460	\$2,090 - \$2,905	\$69 - \$96
Paramount Parks of Idaho	Boise	322-2900	\$2,700 - \$3,500	\$89 - \$115
Summer Wind	Boise	331-1300	\$2,800 - \$4,500	\$92 - \$148
Valley View	Boise	322-0311	\$2,940 - \$3,010	\$97 - \$99
Villas at River Place	Boise	331-1166	\$1,740 - \$3,515	\$57 - \$116
Willow Park	Boise	373-1234	\$2,350 - \$3,800	\$77 - \$125
Community Restorium	Bonnars Ferry	267-2453	\$913 - \$1,777	\$30 - \$58
Highland Estates	Burley	678-4411	\$2,050 - \$2,600	\$67 - \$85
Warren House ALC	Burley	677-8212	\$2,281 – \$2,738	\$75 – \$90
Ridgewind	Chubbuck	237-3000	\$2,281 – \$3,802	\$75 – \$125
Fairwinds-Coeur d’Alene	Coeur d’Alene	765-5505	\$2,050 - \$2,795	\$67 - \$92
Loyalton of Coeur d’Alene	Coeur d’Alene	667-6490	\$3,400 - \$3,500	\$112 - \$115
Apple Valley Residential Care	Emmett	365-1497	\$1,950	\$64
Emerson House at River Pointe	Garden City	323-7999	\$3,100 - \$4,615	\$102 - \$152
Plantation Place Retirement and Assisted Living	Garden City	853-7300	\$2,700	\$89
Rosewind House	Garden City	377-9980	\$2,281 - \$2,738	\$75 - \$90
Sylvan House ALC	Hayden	762-4097	\$2,342 – \$2,738	\$77 – \$90
Autumn Haven	Hayden Lake	772-5728	\$2,850 - \$4,000	\$94 - \$132
Prestige Assisted Living at Parkwood Meadows	Idaho Falls	523-7800	\$2,150 – \$ 2,975	\$71 – \$ 98

<b>Assisted Living Company Name</b>	<b>City</b>	<b>Phone Number</b>	<b>Cost Per Month Lowest to Highest Quotes</b>	<b>Cost Per Day Lowest to Highest Quotes</b>
Aspen Grove Assisted Living-Idaho Falls	Idaho Falls	522-4044	\$2,500	\$82
Idaho Falls Good Samaritan Center	Idaho Falls	523-4795	\$2,585	\$85
Lincoln Court	Idaho Falls	529-3456	\$2,140 - \$2,650	\$70 - \$87
Mallory House	Idaho Falls	528-6599	\$2,220 - \$2,738	\$73 - \$90
Happy Bee Homes Of Kuna	Kuna	922-3536	\$2,650 - \$5,250	\$87 - \$173
Guardian Angel Homes-Lewiston	Lewiston	743-6500	\$2,650 - \$5,250	\$87 - \$173
Juniper Meadows	Lewiston	746-8676	\$1,659 - \$2,831	\$55 - \$93
Royal Plaza Retirement and Care Center	Lewiston	746-2800	\$1,659 - \$2,831	\$55 - \$93
Wedgewood Terrace	Lewiston	743-4545	\$2,350 - \$3,350	\$77 - \$110
Bear Lake Manor Assisted Living	Montpelier	847-1630	\$2,038 - \$3,255	\$67 - \$107
Good Samaritan Village	Moscow	882-6560	\$3,589	\$118
Clearwater House Assisted Living Concepts, Inc	Nampa	463-1732	\$2,370 - \$4,700	\$78 - \$155
Park Place Assisted Living	Nampa	465-7275	\$1,995 - \$3,195	\$66 - \$105
Brookside Landing	Orofino	476-2000	\$2,140 - \$3,065	\$70 - \$101
Parma Living Center	Parma	722-5496	\$1,850 - \$2,500	\$61 - \$82
Americare-Creekview	Pocatello	239-0480	\$2,995 - \$3,895	\$98 - \$128
Highland Hills Retirement Community	Pocatello	237-6866	\$2,474	\$81
Homestead Assisted Living	Rexburg	656-8942	\$2,585	\$85
Teton House ALC	Rexburg	359-2478	\$2,433	\$80
Bridge Assisted Living at Sandpoint	Sandpoint	263-1524	\$2,350 - \$2,915	\$77 - \$96
Bridgeview Estates	Twin Falls	736-3933	\$2,369 - \$3,554	\$78 - \$117
Heritage Retirement Center-Twin Falls	Twin Falls	733-9064	\$2,300 - \$2,500	\$76 - \$82
Woodstone Retirement Center	Twin Falls	734-6062	\$2,300 - \$2,500	\$76 - \$82
Magic Valley Manor	Wendell	536-6623	\$2,000 - \$2,400	\$66 - \$79
<b>Average Range of Assisted Living Costs Per Month:</b>			<b>\$2,327 - \$3,246</b>	
<b>Average Range of Assisted Living Costs Per Year:</b>			<b>\$27,925 - \$38,956</b>	

Quotes as of August 2007. Prices and coverage are subject to change. Prices depicted are a range of lowest and highest quotes. Supplemental services and living arrangements may increase the price.

# Introduction to Private Long-Term Care Insurance

Long-term care insurance is one way to help pay for long-term care services. Long-term care insurance is not for everyone. There are many factors to consider before purchasing a policy. The chart below is a starting point to decide if long-term care insurance is right for you.

<b>Do's and Don'ts of Purchasing Long-term Care Insurance</b>	
<b>Don't Consider Purchasing If:</b>	<b>Do Consider Purchasing If:</b>
<ul style="list-style-type: none"><li>• You can't afford the premiums over a long period of time</li><li>• You have limited assets</li><li>• You have trouble paying your bills</li><li>• You are on Medicaid</li></ul>	<ul style="list-style-type: none"><li>• You have significant assets and income and don't want to use them all to pay for long-term care</li><li>• You want to stay independent of the support of others</li><li>• You want flexibility in choosing care</li><li>• Your family has a history of chronic illness such as cancer, diabetes, Alzheimer's Disease, stroke, dementia, and Parkinson's Disease</li><li>• You can pay the deductibles and premiums without financial difficulty over a long period of time</li><li>• You can afford premium price increases</li></ul>

## Menu of Long-Term Care Insurance Policy Options

Long-term care policies are not standardized. Each company sells policies that offer and combine benefits in different ways. The price you pay will be based upon the benefits you select. When deciding what you want to include in your long-term care insurance policy you need to determine the following:

- How much of a daily benefit do you need? What is the average cost for assisted living and long-term care in your area? After determining the cost of these services you can estimate what your daily benefit should be.
- How much can you afford to pay out of pocket?
- How long of a benefit period do you need? Consider your family health history and your current health when determining the benefit period. Has your family had a history of chronic illness? Has any of your family ever been in a long-term care facility? On average after turning age 65, only 13% of people spend more than 2 years in a nursing home.<sup>i</sup>
- How long of an elimination period (Waiting Period) do you want? The elimination period is comparable to the deductible on your insurance policies and can be 0 to 180+ days. The longer the elimination period the lower the long-term care insurance premium. The shorter the elimination period the higher the long-term care insurance premium. Determine how long you could pay for long-term care comfortably before the long-term care insurance kicks in and this will help decide on an elimination period.
- **What riders do you want to include?** There are several different long-term care insurance riders you can add for a cost to your policy. Here is a list and explanation of some:
  - **Compounding Inflation Protection**: This benefit increases your daily benefit each year by usually 3% to 5% depending on the policy. If you are under age 70 when you purchase the insurance, automatic compound inflation protection is critical.

- **Non-Forfeiture Benefits:** A policy feature that returns at least part of the premiums to you if you cancel your policy or let it lapse.
- **Waiver of Premium:** A provision in an insurance policy that relieves the insured of paying the premiums while receiving benefits.
- **Premium Refund at Death:** This benefit pays to your estate any premiums you paid minus any benefits the company paid.

**Benefit triggers:** – Long-term care insurance companies use “benefits triggers” to determine if you’re eligible for benefits. **Activities of Daily Living or ADLs are the most common gauge used by insurance companies.**

- **The National Association of Insurance Commissioners *A Shopper’s Guide to Long-Term Care Insurance* lists and defines six ADLs:**
  - **Bathing**—ability to sponge bathe or get in and out of bath tub or shower.
  - **Eating**—ability to feed oneself by getting food into the body or by a feeding tube.
  - **Continence**—ability to maintain control of bladder and bowel functions.
  - **Toileting**—ability to get to and from toilet and perform associated personal hygiene.
  - **Dressing**—ability to put on and remove all items of clothing and any braces or artificial limbs.
  - **Transferring**—ability to get in and out of bed, chair, or wheelchair.
- **A person qualifies for benefits when they are unable to perform two or three ADLs, depending on the policy. Make sure bathing and dressing are included on the list of ADLs benefit triggers because these are usually the two that a person can’t do.**
  - The more ADLs you must be unable to perform under your policy, the harder it will be to qualify for benefits.
  - Look for LTCI policies that only require two ADLs to be met to qualify for benefits.

## Long-term Care Insurance Tax Advantages

If you decide to purchase a policy you may be eligible for certain tax advantages. Consult with your tax consultant or advisor regarding the tax consequences in your situation.

### **Federal Deduction**

Federal law allows deductions for long-term care insurance premiums, medical, and dental expenses that exceed 7.5% of adjusted gross income. Long-term care insurance premium deduction amounts are subject to age limitations and are only available if you itemize your deductions.

### **Idaho – 100% Deduction**

**Idaho allows taxpayers to deduct 100% of premiums for qualified long-term care insurance plans that are not deducted on the federal tax return.**

Long-Term Care Insurance should not be purchased just for the possible income tax deductions.

### **Partnership Program – Asset Protection Policy**

Beginning in 2007, a new long-term care insurance policy can be sold in Idaho called a Partnership Policy. If you purchase a qualified Partnership Policy, the state will disregard the policyholder's personal assets equal to amounts paid out under a qualifying insurance policy when it determines the person's eligibility for Medicaid assistance. This means the policyholder would be able to qualify for long-term care assistance through Medicaid without first having to spend all their personal assets on care. **You must still meet all other Medicaid requirements before Medicaid will pay the cost of your care.**

**Call the Department of Insurance for more information at 1-800-247-4422.**

# How Much Do Long-Term Care Insurance Policies Cost In Idaho?

## *Explanation of comprehensive and basic policies*

To get an idea of how much long-term care insurance costs in Idaho, this study selected some policy features from the menu of choices above. The price you pay is based upon the coverage options you select. Because long-term care insurance policies are not standardized, this study asked for quotes from companies licensed to sell in Idaho of two different policies offering different levels of coverage. To differentiate the two policies, this study has labeled them as comprehensive and basic policies. Comprehensive and basic policies are terms used in this study only and are not standardized terms for long-term care insurance policies. The study found no difference in price based upon gender.

### **Comprehensive Policy Features**

- Coverage for \$150 a day
- You pay the first 90 days
- Coverage for three years
- Compound inflation protection of 5%
- Non-forfeiture benefits, (if you stop paying, some of your money is returned)
- Coverage of nursing home, home care, assisted living and community care benefits.

### **Basic Policy Features**

- Coverage for \$150 a day
- You pay the first 90 days
- Coverage for three years
- Coverage of nursing home, home care, assisted living and community care benefits.

# Explanation of Comprehensive Policy Quotes

<p><b>Why is a comprehensive policy important?</b></p> <p>A comprehensive policy includes inflation protection which will increase your daily benefit by 5% a year and non-forfeiture benefits which is a policy feature that returns at least part of the premiums to you if you cancel your policy or let it lapse. <u>Both add to the cost of a policy. If you cannot afford both options, inflation protection is the most important, especially if you are under age 70.</u></p> <p><b><u>Inflation Protection example:</u></b> Jo and her friend Linda each purchased a long-term care insurance policy. Jo added inflation protection to her policy and Linda decided not to because of the cost. They each started with a \$100 daily benefit. After ten years Jo had a \$162.89 daily benefit and Linda still only had a \$100 daily benefit.</p> <p><b><u>Non-forfeiture Benefits example:</u></b> Jo also decided to include non-forfeiture benefits to her policy and Linda decided to pass on it because of the added cost to her policy. After 20 years of paying on their policies they both ran into financial difficulties and could no longer afford their monthly premiums. Because Jo decided to include non-forfeiture benefits to her policy she will receive some of the money she paid into the policy &amp; because Linda didn't include non-forfeiture benefits to her policy she will get nothing.</p>	<p><b>What is the difference between <u>standard</u> rate and <u>best</u> rate?</b></p> <p>Best rate and standard rates are all about how you score on health measures. When you apply for a long-term care insurance policy, agents will ask you questions about your health.</p> <p><b><u>Best rate</u></b> - rate quoted if you have no or minimal history or experience with an illness, or if you do not engage in certain lifestyle habits such as smoking.</p> <p><b><u>Standard rate</u></b> – rate quoted if you have a history of illness, preexisting conditions, or engage in certain lifestyle habits such as smoking.</p>
<p><b>What is an elimination period?</b></p> <p>The policies quoted include a 90-day elimination period. This means that even though your medical professional has determined that you need long-term care services, the policy will not begin to pay for your care until you or another source pays for 90-days of care. When purchasing a policy, it is important to determine that you have enough money to pay for the elimination period.</p>	<p><b>Why should a policy cover more than nursing home care?</b></p> <p>Research shows that the majority of people prefer to receive care in their own homes. Purchasing a policy that covers a wide range of services, enables you to have your care wishes met and your caregiver to have in-home assistance.</p> <p><b>How many years should I purchase coverage?</b></p> <p>The study asked for quotes that covered three years because three years is the average amount of time people use any type of long-term care service. The average time people spend in any type of facility is slightly over one year<sup>i</sup>. It is recommended that most people should not purchase more than three years of coverage.</p>

## How Much Do Comprehensive Long-Term Care Insurance Policies Cost?<sup>ii</sup>

- Coverage for \$150 a day • You pay the first 90 days • Coverage for three years • Compound inflation protection of 5%
- Non-forfeiture benefits, (if you stop paying, some of your money is returned) • Coverage of nursing home, home care, assisted living and community care benefits.

Company Name	Monthly Premiums							
	Age 55		Age 60		Age 65		Age 70	
	Best	Standard	Best	Standard	Best	Standard	Best	Standard
Allianz Life Insurance Company of N. America	\$152	\$179	\$180	\$211	\$239	\$281	\$348	\$409
Assurity Life Insurance Company	\$175	\$233	\$224	\$299	\$283	\$378	\$384	\$512
Berkshire Life Insurance Company of America	\$163	\$204	\$208	\$260	\$286	\$358	\$421	\$526
Country Life Insurance	\$229	\$255	\$260	\$289	\$312	\$346	\$437	\$486
Equitable Life and Casualty Insurance Company <sup>iii</sup>	\$302	\$302	\$387	\$387	\$484	\$484	\$616	\$616
Genworth Life Insurance Company	\$115	\$231	\$143	\$286	\$192	\$384	\$275	\$550
Great American Life Insurance Company <sup>iv</sup>	\$130	\$152	\$145	\$171	\$173	\$204	\$229	\$269
John Hancock Life Insurance Company <sup>vii</sup>	\$41	\$48	\$55	\$64	\$84	\$98	\$135	\$158
Loyal American Life Insurance Company <sup>v</sup>	\$140	\$210	\$172	\$257	\$218	\$327	\$292	\$437
Massachusetts Mutual Life Insurance Company	\$169	\$226	\$223	\$298	\$283	\$377	\$419	\$558
MedAmerica Insurance Company <sup>vi</sup>	\$54	\$64	\$84	\$98	\$133	\$156	\$214	\$252
Minnesota Life Insurance Company	\$186	\$275	\$232	\$344	\$307	\$454	\$414	\$612
Mutual of Omaha Insurance Company	\$100	\$117	\$124	\$146	\$168	\$197	\$258	\$303
National States Insurance Company	\$125	\$188	\$163	\$244	\$203	\$304	\$295	\$445
Penn Treaty Network America Insurance Company <sup>vii</sup>	\$154	\$463	\$194	\$582	\$263	\$788	\$384	\$1,152
Physicians Mutual Insurance	\$183	\$216	\$229	\$269	\$294	\$346	\$427	\$502
Prudential Insurance Company of America	\$175	\$206	\$208	\$245	\$277	\$327	\$417	\$491
United Teacher Associates Insurance Company <sup>iii</sup>	\$140	\$210	\$172	\$257	\$218	\$327	\$292	\$437
<b>Average Monthly Premium</b>	<b>\$152</b>	<b>\$210</b>	<b>\$172</b>	<b>\$257</b>	<b>\$218</b>	<b>\$327</b>	<b>\$292</b>	<b>\$437</b>
<b>Range Highest to Lowest for Similar Policy</b>	<b>\$302 to \$41</b>	<b>\$463 to \$48</b>	<b>\$387 to \$55</b>	<b>\$582 to \$64</b>	<b>\$484 to \$84</b>	<b>\$788 to \$98</b>	<b>\$616 to \$135</b>	<b>\$1,152 to \$158</b>

# How Much Do Basic Long-Term Care Insurance Policies Cost?

- Coverage for \$150 a day • You pay the first 90 days • Coverage for three years • Coverage of nursing home, home care, assisted living and community care benefits.

Company Name	Monthly Premiums							
	Age 55		Age 60		Age 65		Age 70	
	Best	Standard	Best	Standard	Best	Standard	Best	Standard
Allianz Life Insurance Company of North America	\$53	\$63	\$68	\$80	\$98	\$115	\$157	\$185
Assurity Life Insurance Company	\$55	\$73	\$76	\$102	\$103	\$138	\$152	\$203
Berkshire Life Insurance Company of America	\$49	\$62	\$68	\$86	\$103	\$129	\$167	\$209
Country Life Insurance	\$66	\$73	\$86	\$96	\$131	\$146	\$219	\$244
Equitable Life and Casualty Insurance Company <sup>iii</sup>	\$57	\$57	\$80	\$80	\$115	\$115	\$170	\$170
Genworth Life Insurance Company	\$43	\$87	\$56	\$113	\$83	\$166	\$134	\$268
Great American Life Insurance Company <sup>vii</sup>	\$46	\$54	\$57	\$67	\$80	\$94	\$126	\$148
John Hancock Life Insurance Company <sup>vii</sup>	\$39	\$46	\$52	\$60	\$80	\$93	\$128	\$147
Loyal American Life Insurance Company	\$44	\$65	\$62	\$92	\$90	\$135	\$138	\$206
Massachusetts Mutual Life Insurance Company	\$50	\$67	\$71	\$95	\$97	\$130	\$160	\$213
MedAmerica Insurance Company <sup>vi</sup>	\$54	\$64	\$84	\$98	\$133	\$156	\$214	\$252
Minnesota Life Insurance Company	\$53	\$78	\$71	\$104	\$106	\$157	\$163	\$240
Mutual of Omaha Insurance Company	\$38	\$45	\$49	\$58	\$72	\$85	\$131	\$155
National States Insurance Company	\$59	\$88	\$81	\$123	\$106	\$159	\$163	\$245
Penn Treaty Network America Insurance Company <sup>vii</sup>	\$63	\$188	\$86	\$259	\$124	\$372	\$195	\$584
Physicians Mutual Insurance	\$66	\$77	\$89	\$104	\$128	\$151	\$208	\$245
Prudential Insurance Company of America	\$74	\$87	\$94	\$110	\$137	\$161	\$229	\$270
United Teacher Associates Insurance Company	\$44	\$65	\$62	\$92	\$90	\$135	\$138	\$206
<b>Average Monthly Premium</b>	<b>\$53</b>	<b>\$74</b>	<b>\$72</b>	<b>\$101</b>	<b>\$104</b>	<b>\$147</b>	<b>\$166</b>	<b>\$233</b>
<b>Range Highest to Lowest for Similar Policy</b>	<b>\$74 to \$38</b>	<b>\$188 to \$45</b>	<b>\$94 to \$49</b>	<b>\$123 to \$58</b>	<b>\$137 to \$72</b>	<b>\$372 to \$85</b>	<b>\$229 to \$126</b>	<b>\$584 to \$147</b>

# I Am Interested In Purchasing A Policy, What Should I Do?

Do's	Don'ts
<b>of Buying Long-Term Care Insurance</b>	
<ul style="list-style-type: none"> <li>• Perform a personal financial audit.</li> <li>• Make the purchase a family decision.</li> <li>• Tape record the sales presentation.</li> <li>• ASK QUESTIONS!</li> <li>• Call several agents and/or companies.</li> <li>• Carefully read over the benefits.</li> <li>• Ask agent(s) for an outline of coverage.</li> <li>• Check the insurance company's rate increase history.</li> <li>• Be aware that compound inflation protection of 5% offers the best protection if you are under age 70.</li> <li>• Disclose everything and fill out application thoroughly.</li> <li>• Ask what the policy pays for and does not pay for.</li> <li>• Ask what health conditions aren't covered (i.e. Alzheimer's disease).</li> <li>• Ask how eligibility for benefits is determined.</li> <li>• Ask about possible policy discounts.</li> <li>• Ask friends and family for agent referrals.</li> <li>• Investigate the financial rating of the company. See page 20.</li> <li>• Ask the Idaho Department of Insurance for complaints against an insurance company or agent.</li> </ul>	<ul style="list-style-type: none"> <li>• Buy a policy during the first visit from an agent.</li> <li>• Rely solely on what an agent might write or say.</li> <li>• Be pressured by an agent.</li> <li>• Buy a policy just because it's the cheapest. Under priced policies can run a risk of rate increases and the company going bankrupt.</li> <li>• Buy a policy from a company that has a history of raising premiums. Ask the company or insurance agent how many times, how much, and how often they have raised premiums.</li> <li>• Confuse the meaning of "Guaranteed Renewable." This is when a policy cannot be cancelled by an insurance company and must be renewed when it expires unless benefits have been exhausted. The company cannot change the coverage or refuse to renew the coverage for other than nonpayment of premiums.</li> <li>• Buy more than one policy.</li> <li>• Pay in cash.</li> </ul>
<b><u>Help! What To Do If You Are Denied Coverage</u></b>	
<ul style="list-style-type: none"> <li>• Apply for coverage from several insurance companies</li> <li>• If you have still been denied for some health reason, you should try again in a few years after you have become healthier or taken steps to correct your health.</li> <li>• Take the yearly cost of the long-term care insurance policy you were considering and put the money into your retirement account, other investment, or into an emergency savings account.</li> <li>• Take actions with your health and do everything you possibly can to live a healthy lifestyle.</li> </ul>	

## How Can I Contact A Company To Learn More?

Company	Contact Information	Discounts	Maximum Age to Purchase
<b>Mutual of Omaha</b>	1-800-775-6000	15% preferred, 5% Med supplement or producer discount, 35% spouse discount when both issued, 15% if both apply but only one spouse is insurable, 10% two person household when both issued, 10% affinity Assns, employer-paid and worksite.	<b>79</b>
<b>Allianz Life Insurance Company of N. America</b>	1-800-950-5872	Risk class, spousal, endorsed group, existing policy holder	<b>84</b>
<b>Assurity Life Insurance Company</b>	1-888-505-3980	Joint coverage & Employer/Association Group Discount	<b>84</b>
<b>Minnesota Life Insurance Company</b>	1-800-643-5728	Joint coverage & Employer/Association Group Discount	<b>84</b>
<b>Massachusetts Mutual Life Insurance Company</b>	1-800-272-2216	Joint coverage & Employer/Association Group Discount, Loyal Customer Discount	<b>84</b>
<b>Genworth Life Insurance Company</b>	1-888-322-4629	Spousal discount 40%, 25% spousal discount if only one approved, preferred health 20% (10% with spousal discount). Rates quoted in guide based on classic select plan.	<b>79</b>
<b>Penn Treaty Network America Insurance Company</b>	1-800-222-3469	20% marital discount	<b>89</b>
<b>John Hancock Life Insurance Company</b>	1-888-877-6075	15% preferred, 15% for individual spouse, 30% when both spouses are approved (40% maximum discount). Sponsored group discount of 5% for approved employer/associations.	<b>79</b>
<b>MedAmerica Insurance Company</b>	1-800-544-0327	Domestic partner, both insured, domestic partner, one insured, employer sponsored.	<b>85</b>
<b>Berkshire Life Insurance Company of America</b>	1-800-819-2468	Joint coverage & Employer/Association Group Discount	<b>84</b>
<b>Physicians Mutual Insurance</b>	1-800-645-4300	30% Spouse premium discount, 10% married premium discount, 10% family member discount, 5% to 10% franchise discount.	<b>84</b>
<b>Prudential Insurance Company of America</b>	1-800-843-7625	Spouse/partner – 30% if both policies issued, 15% if one policy is issued, affiliation discount – 5% for eligible members, employer sponsored program – 10% for employees and spouse, 5% for other	<b>79</b>

		eligibles.	
<b>Country Life Insurance</b>	1-888-211-2555	10% preferred, 5% medical supplement or producer discount, 15% spousal discount, spouse need not apply, 30% spouse discount when both issued, 15% if both apply and only one insurable, 10% two person household, both issues, 10% affinity assns, employer-paid and worksite.	<b>84</b>
<b>National States Insurance Company</b>	1-800-868-6788	None	<b>89 with limits</b>
<b>Equitable Life and Casualty Insurance Company</b>	1-800-352-5120	25% spousal discount when both policies are issued.	<b>84</b>
<b>Loyal American Life Insurance Company</b>	1-800-633-6752	Spousal discount, affinity discounts: 5% or 10%	<b>79</b>
<b>Great American Life Insurance Company</b>	1-800-880-2745	Couples discount 30%; Affinity discounts: 5 or 10%; 15% one spouse discount.	<b>89</b>
<b>United Teacher Associates Insurance Company</b>	1-800-880-8824	Spousal discount 25%; affinity discount 5% or 10%	<b>84</b>
<b>Department of Insurance</b>	<b>1-800-247-4422</b>		

Responses were not received from Cuna Mutual Life Insurance Company, New York Life Insurance Company, Northwestern Long-term Care Insurance Company, State Farm Mutual Automobile Insurance Company and Sterling Life Insurance Company. All other companies registered to sell insurance and not listed responded that they no longer sell policies in Idaho.

## RATINGS INFORMATION

You will find that each policy contains different features to meet your needs and budget. While the highest and lowest cost policies might be the best choice for you, we caution you to shop around and read the details of the policies. There are insurer rating services who analyze the financial strength of insurance companies. The financial strength rating gives the buyer an idea of how strong the company is financially to meet the ongoing obligations of its policyholders. Each rating company uses a different rating scale. Here is a list of the rating companies and their website so you can better understand the ratings of the insurance company you are considering:

A.M. Best Company - [www.ambest.com](http://www.ambest.com)  
 Fitch IBCA, Duff & Phelps, Inc. - [www.bankwatch.com](http://www.bankwatch.com)  
 Moody's Investor Service, Inc. - [www.moodys.com](http://www.moodys.com)

Standard & Poor's - [www.standardandpoors.com](http://www.standardandpoors.com)  
 Weiss Ratings, Inc. - [www.weissratings.com](http://www.weissratings.com)

## Where Can I Find More Information?

### If I Am Ready to Purchase, How Can I Compare Policies?

If you've made the decision to contact companies to purchase a policy, it is a good idea to compare several policies. A comparing Long-Term Care Insurance worksheet is available to simplify the process. To obtain a copy of the worksheet, go to: <http://extension.ag.uidaho.edu/jerome> or call 208-324-7578 to request a copy.

### Long-term Care Insurance Internet Resources

- [www.aarp.org/longtermcare](http://www.aarp.org/longtermcare)
- <http://extension.ag.uidaho.edu/jerome>
- [www.medicare.gov/LongTermCare/Static/Home.asp](http://www.medicare.gov/LongTermCare/Static/Home.asp)
- [www.opm.gov/insure/ltc/](http://www.opm.gov/insure/ltc/)
- [http://www.ltcfeds.com/documents/files/NAIC\\_Shoppe\\_rs\\_Guide.pdf](http://www.ltcfeds.com/documents/files/NAIC_Shoppe_rs_Guide.pdf)
- [https://external-apps.naic.org/insprod/Consumer\\_info.jsp](https://external-apps.naic.org/insprod/Consumer_info.jsp)
- [www.ahip.org/](http://www.ahip.org/)
- [www.naic.org/](http://www.naic.org/)
- [www.ltcombudsman.org/](http://www.ltcombudsman.org/)
- [www.doi.state.id.us/](http://www.doi.state.id.us/)

Go to this web-site to request a free, comprehensive Shopper's Guide to Long-Term Care Insurance

### Telephone Contacts

- **Idaho Department of Insurance:** 1-800-247-4422
- **Senior Health Insurance Benefits Advisors:** 1-800-247-4422
- **National Association of Insurance Commissioners (NAIC)** 1-866-470-NAIC (6242)
- **AARP Idaho:** 1-866-295-7284
- **University of Idaho Extension:** 208-324-7578

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<sup>i</sup> Source: Kemper, Komisar & Alexih; *Inquiry*; Vol. 42, Winter 2005/2006

<sup>ii</sup> The companies below may also have more long-term care insurance policies than what is listed in this chart or may offer additional benefits. Due to space constraints, we are unable to list all the different policies from the companies below. If you would like information on possible other policies from the companies below contact the company or a licensed agent for more information on what they offer.

<sup>iii</sup> Quote based upon a 30 day elimination period for homecare.

<sup>iv</sup> Quote excludes non-forfeiture benefits and is based upon a 100 day elimination period.

<sup>v</sup> Quote excludes non-forfeiture benefits.

<sup>vi</sup> Quote based on a cash product with a monthly rather than daily benefit.

<sup>vii</sup> Quote based upon a 100 day elimination period.