

## *Client Information Summary*

### Long Term Care

Long Term Care is the peace of mind knowing that the cost of your future health care in a long term care facility is covered. We all expect and hope to live a long and healthy life, and we take care of ourselves in hopes that we will be able to do so. However, the reality of aging is, the longer you live, the more likely you are to encounter one of the following medical problems:

#### **Dementia**

A disorder of the mind, Alzheimer's and other dementia are increasing at an alarming rate. As per statistics compiled by Manulife Financial, 78% of all those aged 65 and over with these conditions are in an institution.

#### **Cancer**

1 of every 3 women and 2 of every 5 men will develop some sort of cancer in their lifetime. Statistics quoted from Manulife Financial show a 30% increase in new cancer cases in our aging population. 70% of new cancer cases occur in people age 60 and over.

#### **Heart Disease and Stroke**

1 in 4 Canadians develop a heart condition of some kind. Many of these people survive and need care for either a short time or long time depending on the level of damage done when the episode occurs. 80% of people who suffer heart attacks survive the attack. 60% of all stroke survivors will be left with a disability.

#### **Arthritis**

This illness can range from being a minor painful inconvenience to a severe disabling illness. It is the most common form of disability and affects an estimated 4 million Canadians.

Approximately 70% of those who develop arthritis are left with a moderate to severe disability.

#### **Multiple Sclerosis/Parkinson's**

Degenerative diseases such as this leave the person in a very dependant state.

#### **Osteoporosis**

The bones become thin and brittle and break very easily. This can lead to short term need for care or longer term if the injury causes a disability.

#### **Why You Would Want to Have Long Term Care Insurance**

The benefits of obtaining Long Term Care Insurance include:

- ✓ Choices in the type of treatment you receive
- ✓ Either professionals or family can provide care - you are free to choose
- ✓ Savings are not depleted by the cost of the care
- ✓ Your children do not have to cover any costs that you can't afford or have to take care of you yourselves.

## Types of Long Term Care Plans

There are different types of long term care plans:

- ✓ Income plans, where a predetermined weekly benefit is paid once the patient has qualified
- ✓ Reimbursement plans, once it is determined the patient is eligible for a claim proof must be submitted to be reimbursed.
- ✓ Indemnity Plan, once eligible and it is proved a service was received, a predetermined daily benefit is paid.

Private nursing homes can cost more than \$3,000 per month. While government nursing homes may cost less, there are long waiting lists and the available homes may be undesirable. Home care, the other option, can range in cost from low skilled help at about \$20 per hour up to highly skilled workers at \$45 per hour. A long term care plan can cover all or most of these costs, leaving your estate intact and with no need to call on children for their help if your savings are insufficient.

To illustrate, Gladys is a 75 year old woman whose husband passed away 5 years before. She found herself forgetting things. Her children took her to the several different doctors to find out what was wrong. After a year she was finally diagnosed with Alzheimer's. At first, she was able to stay at home as her condition was progressing slowly. Her family took on her care. They would visit her every day to ensure she remembered to eat and turned the stove off and remind her of all the little things that she was forgetting. Gradually after about a year, she was forgetting to eat, turning the stove on to make tea then leaving it on, almost burning the house down. Eventually the decision was made for one of her children and his wife to move in and his wife looked after her during the day. This worked for a while, and then the senior citizens centre asked them to remove her from the day program as she was becoming disruptive. She would start wandering the streets, not remembering where she was going, but striding along purposefully. The daughter in law couldn't cope with this anymore as her mother-in-law would attack her verbally, not remembering who she was and what she was doing living there.

The turning point came when she fell and broke her hip. From the hospital it was determined that she was not fit to return home any longer, as she couldn't walk properly because of her hip and her body was deteriorating because she wouldn't eat. After a short waiting period she was placed in a private nursing home. She requires constant care; she has even forgotten how to eat and is made to eat. As you can imagine, the cost is high for this sort of care. Fortunately she is one of the lucky ones who had obtained long term care insurance and her plan covered these costs. Her family was not burdened with these expenses.

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