

Disability, Long Term Care & Employee Benefit Advisory

What Every Woman Wants Her Husband to Know . . . About Long Term Care

CAREGIVING, A SIGNIFICANT FEMALE ISSUE

According to the personnel journal, eight million Americans care for a parent and 75 percent are women. Of the 75 percent of the women caring for an aged parent, more than 50 percent are employed outside the home and raising children. What's the impact? Fifty-eight per cent had missed work due to caregiving. They give up vacations and social life and suffer from anxiety and depression. Let's examine the risk of long-term care and, in particular, how it affects women.

RISK OF LONG TERM CARE

Unfortunately, until recently, only a small percentage of working Americans have done any significant planning for Long Term Care. It's regrettable considering the significant risk involved.

48.6% of all people age 65 and older will spend some time in a nursing home

71.8% of the people age 65 and over may require some form of home health care

The likelihood of LTC for married couples is most significant. Seven (7) out of ten (10) couples, age 65 and older, can expect one spouse to need LTC.

Assuming the norm, if both husband and wife are the same age and healthy, the actuaries tell us that the average woman will live seven (7) years longer than the average man. Women tend to marry men who are older; therefore, the husband's health may well begin to fail before the wife's. She may be on her own, perhaps in failing health herself, for more than a decade after her husband is out of the picture. The family finances need to be sufficient to finance at least an extra seven years of living for the lady of the house.

WHO'S GOING TO TAKE CARE OF HER? . . . THE FEMALE "CATCH 22"

What happens when the husband needs assisted care and it depletes the family finances and he dies, leaving his wife with unpaid nursing home bills and little else? Who's going to take care of her? Traditionally the male's role is to manage the family finances, a woman is often poorly equipped to cope with financial matters when her husband becomes ill or dies. Matters get completely out of hand with the onset of a long-term illness. The economic problems facing senior citizens are much worse for women than for men. Women make up a shocking 82 percent of poor elders living alone.

If a husband and wife are in good health today, the lady of the house needs to look beyond today. Envision your life 20 years from now, when your spouse is no longer healthy or even alive, when you need care. Most elderly couples have enjoyed traditional marriages in which the wife was dutiful homemaker and husband was an active provider. The worst time for her to learn about money is when she hears that her spouse has a debilitating illness that will ultimately put him in a nursing home. The woman is left to face the last years of her own life alone, with scant income and nothing in reserve and sometimes even no place to live.

A study conducted by the National Bureau of Economic Research found that half of all poor widows were not poor before their husbands died. Loss of income from pensions and the burden of medical and funeral costs pushed them over the edge.

What's even worse is that spousal caregivers have a 63 percent higher risk of dying sooner than a comparable group of people not giving care! Hence, when the husband passes away after years of being cared for by his wife, her caregiving has shortened her own lifespan!!

Men of the 65 plus generation pride themselves on their lifelong ability to provide for their wives and families. It is a cruel irony that many of them will leave behind a widow who may barely survive on her own.

ADDED FEMALE RISK

Ten million Americans, most of them women over 50, have osteoporosis resulting in 300,000 broken hips each year. Then, one in every five will die within a year from complications, such as blood clots induced by immobility! Half will never walk again without assistance and more than ¼ need LTC. The average age of claimants receiving home care benefits is 79. Of those over age 79, 32 percent are male and 68 percent female. Twenty-two percent of those age 85 and older are in a nursing home; and because women generally outlive men, they face a 50 percent greater likelihood than men of entering a nursing home after age 65.

WHAT WILL THE FUTURE BRING

Women in the work world have fought an ongoing battle for decades for equal opportunity and equal pay. Women still earn less than men, save less for retirement and receive, on average, lower Social Security benefits.

The Health Action Forum of Greater Boston identified that female caregivers frequently turn down promotions and transfers, delay retirement, or are forced into taking early retirement. They give up vacations and social life and suffer the burden of added anxiety and depression.

And, what do these women have to look forward to? A spokesperson for the American Health Care Association recently commented on the huge emotional drain and financial consequences faced by female caregivers. If they are caring for either a parent or a spouse, who is going to care for them? And, where is the money going to come from?

WHAT CAN WE DO ABOUT IT?

As an Employee Benefits Consultant, I would recommend the purchase of Long Term Care Insurance with a monthly benefit of at least \$6,000 per month (the current cost in our area for quality care). The LTC coverage would more than pay for a \$500,000 nursing home expense, guaranteeing the rest of their asset would go to the surviving spouse and then to their children. Benefits would be guaranteed for not only nursing home care or for care at home but also for reimbursement in an assisted living facility. But is this the only answer? What about those who can't afford long term care insurance or can't qualify medically due to a serious medical impairment?

AN IMPENDING NATURAL, NATIONAL DISASTER ON THE HORIZON . . .

We're going to be facing a national tragedy in not too many years! Currently, over 2/3's of all Long Term Care recipients use Medicaid to pay for their care. Unless this current system is changed, **Medicaid will collapse under the weight of 77 million baby boomers, with at least 15 million requiring LTC when they're 85 years old!**

Social Security reserves will already have been tapped by our nation's leaders. (If that doesn't frighten our nation's elderly who already can't live on the Social Security checks, what will?). **And, with those 15 million people needing long term care, based on today's inflation rate, a three year stay in nursing home is expected to cost \$500,000+ by the year 2030; where in the world is that money to come from?**

And, who's going to provide that care? Nationwide, 2,500 home care agencies, 20 percent of the home health care delivery system closed or stopped providing Medicare services in a recent 2 year period. In Massachusetts, Medicaid spending dropped by 8 per cent in last 3 years, as the state tightened Medicaid eligibility rules.

Home health care services that are safe and affordable are getting harder to find. Too many old to care for; too few young to provide that care.

We will be facing a natural, national disaster in not too many years. We need our nation's leaders to understand and acknowledge these issues and, then, tell the solutions will be on national television and in every newspaper in every major city in the United States!

In the meantime, Long Term Care Insurance is the very best solution to being guaranteed quality care so that you can face your later years with dignity and a sense of security and independence. And, especially for women, make sure your husband understands these issues and your risks as a woman so he doesn't say no to the purchase of long term care insurance. The most thoughtful gift a man can purchase for the lady of the house is long term care insurance.

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Allan Checkoway, RHU

Allan Checkoway, RHU most recently authored "***I'm Disabled . . . Now What?***", created for people whose lives have been impacted by changes in their overall health. Fortunately, our decades of experiences in working with people who have become disabled, sometimes ending up in long term care situations has given us a unique perspective that can benefit our readers. We've taken what we believe to be all the best up to date accessABLE resources from a multitude of resources, putting them all together in one place in "***I'm Disabled . . . Now What?***" and on our new website www.DisabilityandSeniorResources.com. **We are dedicated to helping restore active lifestyles.** Allan is presently the Principal of Disability Services Group, an Employee Benefit Advisory firm. Allan's address is 661 Highland Ave. Suite 103, Needham, MA 02494, tel: 781.400.5055; email: allan@disabilityservices.com