

Long Term Care Insurance

Have you planned for the potential risk of long term care?

Are you prepared for the additional expenses should you need extended care in the future?

Will you have enough savings to cover your long-term care costs?

With positive lifestyle changes and medical advances over the last few decades, people are living longer. However, living longer increases the chances of developing chronic medical conditions and the costs associated with caring for these conditions can be astronomical. Fortunately, **long term care insurance (LTC)** can provide the financial support required, should there be a need for long-term care in the future.

LTC protects against the potential financial risks associated with providing an individual assistance with activities of daily living or supervision if they become cognitively impaired. The need could arise from a stroke, Parkinson's Disease, Alzheimer's Disease, Multiple Sclerosis, prolonged illnesses such as Cancer, or simply from aging.

How It Works

To understand long-term care insurance, think of the activities that you performed when you woke up today. You most likely:

- climbed out of bed
- walked to the bathroom
- had a bath or shower
- got dressed
- ate

When we are healthy, it is easy for us to take for granted the above-mentioned activities of daily living (ADL's). The insurers that offer long-term care insurance consider ADL's to be the basic daily tasks necessary to maintain one's personal health and safety. Once a person is unable to perform a certain number of ADL's without the physical assistance of another person, then they would then be eligible for benefits. Benefits would be payable in the event of developing cognitive impairment (inability to think, perceive, reason or remember), resulting in one's inability to care for themselves without ongoing supervision from another person. These benefits are also tax-free.

Conclusion

Looking ahead to the future, you may be unsure about the level of long-term care funding from your provincial government. Various statistics have shown that as the "Baby Boom" generation enters into retirement and post-retirement stages, more and more pressure will be placed on publicly funded health care plans.

Whether you are planning for your own future, or perhaps thinking about aging parents, it is worth investigating if the premium costs of this product outweigh the potential benefits of having it. The benefit amount could be used to cover nursing home or long-term care facility costs or alternatively, the option of staying and receiving the support needed.

As your financial team, one of our responsibilities is to anticipate and respond to your financial security needs.

Contact us for more information on long-term care insurance coverage.

The Sean Fahy Group

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