



Jim Koewler &lt;jameskoewler@gmail.com&gt;

## Seniors and Special Needs News - June 27, 2014

1 message

**The Koewler Law Firm** <Newsletter@protectingseniorsnews.com>  
 Reply-To: The Koewler Law Firm <Newsletter@protectingseniorsnews.com>  
 To: Jim <protectingseniorsnewsarchive@gmail.com>

Fri, Jun 27, 2014 at 9:00 AM

With help, seniors and people with special needs can keep some of their assets in the family rather than lose their entire life savings to the costs of long term care. They can use these protected assets to enhance their quality of life beyond what long term care alone will provide.

Email not displaying correctly?  
[View it in your browser.](#)



# Seniors and Special Needs News

## What daily rate to choose when buying Long Term Care Insurance

Today's newsletter continues the series about buying long term care insurance as a strategy for planning ahead for long term care. My May 23, 2014 newsletter discussed whether to buy long term care insurance at all; my May 30, 2014 newsletter discussed looking for a stable, proven insurer; my June 6, 2014 newsletter described how to identify a proven, stable Long Term Care insurance company; my June 13, 2014 newsletter discussed the importance of protection against inflation; and my June 20, 2014 newsletter suggested insuring for a four year or a five year stay in a nursing home. The introductory newsletter in the series on planning ahead for long term care costs appeared on May 16, 2014.

Now that we've made our guess as to how long our long term care will last, we must predict how much each day will cost. (Insurers use a daily rate because assisted living facilities and skilled nursing facilities charge by the day. Some home care providers charge by the day as well, but most charge by the hour.)

Short answer: If you expect to live out your retirement in Ohio, get a daily rate (in today's dollars) of **at least \$200**, BUT \$250 would be better. (I use Ohio because that's where I help seniors who need long term care.)

### **Why buy insurance that would pay out \$200 per day?**

First, I suggest that you buy long term care insurance to cover your costs for nursing home care (i.e., in a skilled nursing facility.) Usually, long term care insurance policies are not limited to nursing home costs. Many or even most policies cover long term care costs provided at the insured's home or at an assisted living facility in addition to paying nursing home costs. In short, most insurers pay for your long term care no matter where you are receiving that care.

I use nursing home costs and time in a nursing home as comparative measures for long term care insurance because nursing home costs are the highest of the usual long term care costs. If you're going to buy insurance to guard against long term care costs, you should get enough insurance to guard against the financial worst case scenario, the nursing home.

Second, I suggest a \$200 daily rate because that is approximately the Ohio Medicaid rate today (i.e., the amount of money that Ohio's Medicaid agency, the Ohio Department of Job and Family Services, reimburses a nursing home for the care provided to a Medicaid-covered resident.) Because \$200 is the Medicaid rate, very few or no nursing homes have a private pay rate any lower than that. Consequently, that Medicaid rate is the bare minimum that I can suggest when purchasing a long term care policy.

### **Why buy a policy with a \$250 daily rate?**

First, as I mentioned above, the lowest daily rate that you're likely to find among any Ohio nursing homes is \$200. You're more likely to find daily rates for private pay (i.e., for residents not covered by Medicaid) a bit higher than the Medicaid rate. (Private individuals don't have the bargaining power that the state and federal governments have.) While you are using your long term care policy, the nursing home will expect you to pay the private pay rate. You should buy insurance to cover that rate.

Second, the current five-year look-back period can be made longer by Congress at any time. (Remember, you're not expecting to make a claim against your long term care insurance until years from now.) Getting a daily rate above the absolute minimum can help you get through a longer look-back period that may be in place in the future.

### **Why buy a daily rate for nursing home care when my policy will also cover in-home care and assisted living care, which are less expensive than nursing home care?**

You don't know what the future holds. You could need nursing home care quite

suddenly, or you could stay at home or in an assisted living facility for a long time before needing full skilled nursing care. Without an accurate crystal ball, you just don't know what your needs will actually be.

Remember, though, that long term care insurance is meant to protect your life savings against the risk of long term care costs. In addition, the cost that you're trying to insure against is reasonably predictable because we can easily approximate the private pay rate for a nursing home. If you don't buy enough insurance to cover this predictable cost, you're not really protecting yourself or your life savings.

### **Social Media Posts from the past week**

6-26-2014 The societal cost of #Autism <http://ow.ly/y1AR7>

6-25-2014 Ohio's participation in the National #FamilyCaregiver Support Program #SeniorCare <http://ow.ly/y1BmG>

6-24-2014 Comparing strategies for #LongTermCareInsurance <http://ow.ly/y1yd8>

6-23-2014 Long Term Companion Care as a method of #SeniorCare <http://ow.ly/y1zu2>

6-22-2014 Elder abuse often not reported <http://ow.ly/y1ExC>

6-21-2014 #Cynicism and #Pessimism increase the risk of #Dementia <http://ow.ly/y1Dqe>

6-20-2014 How much #LongTermCareInsurance to Buy #SeniorCare <http://wp.me/p47F09-5B>

Older social media posts can be found in the [social media post archive](#) on the firm's website, [ProtectingSeniors.com](http://ProtectingSeniors.com).

### **The Koewler Law Firm News**

7-1-2014 Jim Koewler will present the continuing education program "Helping Medicare/Medicaid 'dual eligible' senior clients through 'My Care Ohio' enrollment" at ManorCare in Mayfield Heights, Ohio. Continuing Education credit is available for social workers, counselors, and nurses.

8-14-2014 Jim Koewler will present the continuing education program "Legal Issues for People with Dementia" at Southwest General Health Center in Middleburg Heights.

Continuing Education credit is available to social workers, counselors, and nurses.

9-26-2014 Jim Koewler will present "Preventing Senior Fraud" at the meeting of Eldercare Professionals of Ohio at Heart Home Care in Euclid, Ohio.

Older items of firm news can be found in the [news archive](#) on the firm's website, [ProtectingSeniors.com](http://ProtectingSeniors.com).

### **Jim's available presentations**

- Preventing Senior Fraud (Continuing Education credit available for social workers, counselors, nurses, and Certified Case Managers)
- Navigating Medicaid, Medicare, and the Affordable Care Act (Continuing Education credit available for social workers, counselors, nurses, and Certified Case Managers)
- My Care Ohio and Medicare/Medicaid "Dual Eligibles" (Continuing Education credit available for social workers, counselors, nurses, and seeking approval for Certified Case Managers)
- Government Benefits that can help Pay for Long Term Care (Continuing Education credit available for social workers, counselors, nurses, and seeking approval for Certified Case Managers)
- Legal Issues for People with Dementia (Continuing Education credit available for social workers, counselors, and nurses)
- Protect your Life Savings from the Costs of Long Term Care (Continuing Education credit available for social workers, counselors, and nurses)
- Veterans Benefits for Long Term Care (Continuing Education credit available for social workers, counselors, and nurses)
- Advance Directives – Powers of Attorney, Living Wills, etc. (Continuing Education credit available for social workers, counselors, and nurses)
- Buying Long Term Care Insurance Wisely (Continuing Education credit available for social workers, counselors, and nurses)
- Planning Ahead to Protect against Long Term Care Costs (Continuing Education credit available for social workers, counselors, and nurses)
- Protecting your Money when you need Long Term Care and Essential Estate Planning Considerations (with free living wills for the audience)
- Myths about Long Term Care
- How to help your Parents Manage their Affairs

### **Upcoming meetings**

6-27-2014 Eldercare Professionals of Ohio, The Weils, 9:00 a.m.

7-2-2014 Stark Senior Services Network, Canton Baptist Temple, 9:00 a.m.

7-2-2014 Richfield Chamber of Commerce luncheon, The Taverne of Richfield, 11:45 a.m.

7-2-2014 Medina County Senior Services Network's Client Services Committee, Sully's 3:00 p.m.

7-9-2014 Medina County Senior Services Network, Willowood Care Center, 8:00 a.m.

7-9-2014 Summit Senior Sales, Administrators and Marketers Association, Pebble Creek, 2:30 p.m.

7-11-2014 Eldercare Professionals of Ohio, Leimkuehler, Inc., 9:00 a.m.

- 7-16-2014 PASS' Christmas in July Party, Cabanas Restaurant, 4:00 p.m.
- 7-21-2014 Medina County Senior Services Network's Education Committee, Tres Potrillos in Medina, 11:30 a.m.
- 7-22-2014 Summit County Senior Services Network, Anthony Kucko Kertesz Funeral Home, 8:00 a.m.
- 7-22-2014 Professional Networking Group, Sagamore Hills Park, 1:00 p.m.
- 7-24-2014 Parma Hospital Senior Resource Network, Crystal Waters, 8:30 a.m.
- 7-24-2014 Portage Senior Services Network, Coleman Adult Day Services, 8:30 a.m.
- 7-25-2014 Eldercare Professionals of Ohio, Grande Oaks, 9:00 a.m.

### Newsletter Archive

Past issues of this newsletter can be found in the [newsletter archive](#) on the firm's blog site, [ProtectingSeniors.com](#).

### Contact Jim Koewler

If you'd like to contact Jim, this newsletter has a dedicated [contact page](#) on the firm's blog site, [ProtectingSeniorsNews.com](#).

© 2014 The Koewler Law Firm. All rights reserved.

---

[follow on Twitter](#) | [friend on Facebook](#) | [forward to a friend](#)

*Copyright © 2014 The Koewler Law Firm, All rights reserved.*  
You are receiving this email because you subscribed through our website or asked to be on our mailing list.

**Our mailing address is:**  
The Koewler Law Firm  
P.O. Box 443  
Richfield, OH 44286

[Add us to your address book](#)

[unsubscribe from this list](#) | [update subscription preferences](#)

