

Creative care design

Steps to customizing a care plan



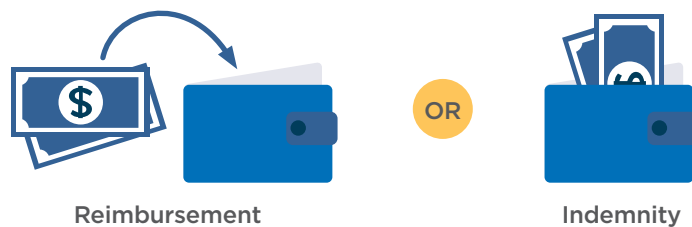
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Shawn Britt has been a member of Nationwide's Advanced Consulting Group since 2005 and has been a major influence in developing and promoting Nationwide's long-term care (LTC) product solutions. She is well known in the industry and has been widely published and interviewed about LTC by publications such as The National Underwriter, Financial Advisor, CBS News Money Watch, Insurance News Net and The Wall Street Journal. She is a frequent speaker at numerous industry events including AALU and ILTCI, periodically serves as an adjunct professor on LTC at The Ohio State University and currently serves on the board of advisors for CLTC™.

Planning for long-term care (LTC) may seem like a daunting task, especially when individuals or couples feel limited by traditional choices for care. Unfortunately, too many people equate long-term care with nursing homes. In truth, there are numerous options for care, but before customizing a care plan, it helps to understand how LTC benefits can be paid.

How benefits can be paid

LTC benefits are generally paid in one of two ways:



A **reimbursement plan** may potentially offer a larger benefit pool, but it will only pay for qualifying LTC costs covered by the policy—up to the benefit limit. And, bills and receipts must be submitted each month to get the benefits. But, for clients only interested in formal care, this option could work.

By contrast, **cash indemnity** pays the full available monthly LTC benefit. Once you're approved for claim, there is no monthly paperwork or proof of expenses to send in. You simply receive a monthly cash benefit to use with no restrictions from the insurance company. Designing a plan using cash indemnity benefits is limited only by the imagination and will allow for the broadest flexibility in your plan and LTC benefit use.

Creative Care Design

Imagine you had cash in hand to pay for care with no restrictions from the insurance company. That means no bills or receipts to submit each month and no worries about what your policy might or might not cover. Think about what would make you happiest if LTC services were needed. The following steps can help you create a design for care. Let's explore each one in greater detail.

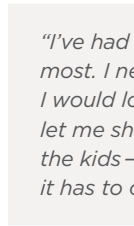
- Imagine the type of care you would prefer if there were no restrictions
- Think about where and with whom you are most comfortable
- Determine the changes your home would need for it to remain a safe place to live
- Tie your care plan to your retirement plan and location
- Think about family involvement
- Research your ideas
- Connect the dots
- Establish a well-thought-out backup plan
- Fund the plan

Imagine care with no restrictions

Write down everything that comes to mind—even if it sounds like an absurd idea because what once sounded odd may make sense after you go through all the steps of putting your plan in place. Below are examples of brainstorming:



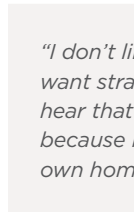
"I want to live near the beach so I can wiggle my toes in the sand, even if I'm old, infirm and in a wheelchair."



"I've had a great life with more travel and experiences than most. I never had kids and never remarried after my wife died. I would love to live with a family who could help care for me, let me share my life experience with them and maybe teach the kids—and even their parents—about the world and what it has to offer."



"I love my home. I bought this place when the neighborhood was just starting to revive, and I put a lot of my heart, soul and labor into this house. I can't imagine leaving my sun room and the view of my garden. It's a two-story house, but with some thought I might be able to stay here safely if I needed care."

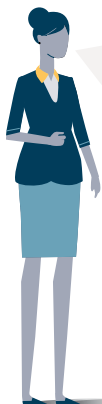


"I don't like the idea of going to a facility for care, and I don't want strangers coming into my home to take care of me. I hear that robots will be the wave of the future. I like that idea because it may help me receive the care I may need in my own home while retaining my privacy."



Think about where and with whom you are most comfortable

For many people, happiness means being surrounded by the people they love and being in a place that is comfortable and familiar.



"I've had the same two best friends since college. We've always said that we want to be together in our old age. Whether we share a home, move to a continuous care retirement community or move to the same facility, I just know life will be fine as long as we stay together."



"Grandma lived with us the last few years of her life. I know it was hard for my mother at times, but that's because she didn't have adequate resources to help her juggle the responsibilities of being a mom and taking care of Grandma. But it was the best time of my life growing up. Grandma taught me things and loved me in ways that were different from my mom and dad. If my daughter is willing, I would love to live with her so she could care for me and I could provide my grandsons with the same love and learning that I experienced with my grandmother."

"I love the desert and being out west. I can breathe there. I'd like to be able to live there in retirement and during the time when I need help with my care."



Determine the changes your home would need for it to remain a safe place to live

Studies show that most people would prefer to stay in their home to receive care for as long as possible¹. But home care requires planning, especially when it comes to safety and accessibility. It's important to think about the pitfalls your home presents and how to solve those problems.



"I have a two-story house, but there is only a half bathroom downstairs, so moving my bedroom to the dining room would create a problem since there is no place to bathe."



Solution

Install a stair chair for riding up and down the stairs. This will likely work for as long as it is possible to transfer in and out of the chair

"My shower is a bathtub/shower combo. I can see the day when it could be difficult to step over the tub. It's also a bit slippery, and I may not be as sure-footed down the road."



Solution 1

Install safety bars to hold on to while stepping into the tub, and resurface the tub with a non-slip floor



Solution 2

If space allows, replace the current tub/shower combo with a walk-in bathtub. This would eliminate the need to step over the edge of the tub

Tie your care plan to your retirement location

Where do you want to retire? Your plan should reflect this location when considering:

- LTC services that might be available
- The cost of LTC and other services you envision
- Proximity to your children if you need their assistance

Deciding where to retire makes it possible to pinpoint opportunities and costs for care.



Think about family involvement

If you have family members who you'd like to participate in your care, think about how much involvement you may want or need. While some people may want family members and friends to provide their care, others may prefer physical caregiving from another source, reserving family support for help with financial decisions, bill paying, doctor's appointments and other advocacy.

Family support should be discussed up front with the people you want involved in your care to make sure they are both willing and able. Together you can design options that will work for your needs as well as theirs. This discussion should be readdressed annually to ensure that everyone is still on board and to account for life changes such as death, divorce or relocation. For example:



"We live only 20 minutes away from our daughter and her family, but she reminded me that 20 minutes might as well be 20 miles if she has to make several trips a day to help us. A one-floor house located only two doors away from her just went on the market, and she would like us to buy the house and move into her neighborhood. We can help more with the grandkids now, and they can all help us later as we age."

"My son is looking to change jobs and I am about to retire. We have all decided to move to Florida so my son and his family are close by if I need help."



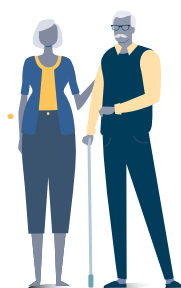
¹ Health Care and Long-term Care Study, presented by The Harris Poll for Nationwide, March 2018.

Research your ideas



Even the best-laid plans will go amiss if you don't do your research. Find out in advance if the services you want or the plans you've created are available where you plan to live.

- **You are single and want to live with a family when you need care**
 - Make sure foster care for the elderly programs are available in the community where you plan to live
- **You want to add a full bath to your main floor so you can convert the formal dining room to a bedroom when climbing stairs is no long possible**
 - Consult a contractor now to be sure this can be done; if not, you will need to adjust your plans before timing and need becomes critical



Connect the dots

Once you've imagined how and where you'd like to receive care—and you've walked through the other steps—you can connect the dots for a customized plan. Using some of the brainstorming examples discussed so far, let's put a hypothetical plan together by connecting the imagined picture of care, the retirement location, who is desired to be nearby, the desire for family involvement, how the family is willing to participate and the research required.

"I want to be near the beach so I can wiggle my toes in the sand—no matter how old or infirm I might be. We always loved our family trips to Florida, and since my son is looking for a new job and I am about to retire, we have decided as a family to move to Florida.

While I would love to live with my son and his family, they aren't on board with that. However, they like the idea of having me next door or down the street. That's why we've asked a real estate agent to look for two homes close by in communities that have good schools for the grandchildren.

Florida has an abundance of one-floor plans and main-floor living, so I can choose my new home with that in mind. I hope to receive care services in my home and stay there as long as possible."

Establish a backup plan for care

As people age, they face the unknown. Alzheimer's or dementia may enter the picture. Our plan for aging on our own terms may require adjustments, and it's possible that we may no longer be able to make choices.

Think now about where you would want to go if you were to need care in a facility. After sorting through the many options, make sure you communicate your wishes to your family.

Give your children permission to do what they need to do when you can no longer make your own decisions. It's hard enough to watch parents decline, and it's even harder when a parent with dementia cries and complains about how much they hate where they live. Tell your children in advance that they have your blessing to change plans if necessary; this can help alleviate any potential guilt they may experience when care needs escalate



Fund the plan

Once your plan is in place, make sure it's funded. A potentially cost effective way to do that would be to consider long-term care coverage so your plan can be paid for with leveraged dollars rather than dollar for dollar out of your pocket. The more unique the plan is, the more likely a cash indemnity policy could be appropriate to fund the type of care services that fit your needs. Creating a plan now for potential long-term care needs in the future can help lead to a more fulfilling care experience for both you and your family.

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