

PLANNING FOR LONGEVITY:

A Practical Guide to
Safeguarding Your
Health, Income &
Independence



**LEARN
MORE**

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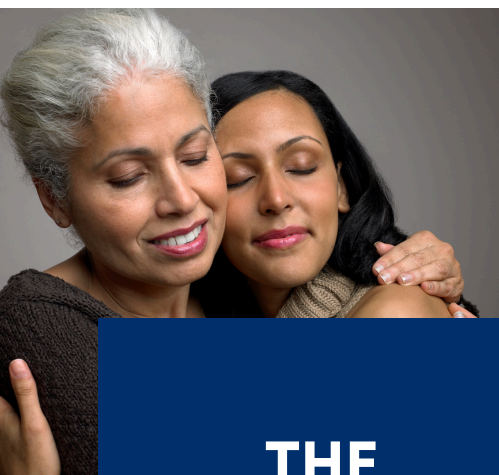
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THE SANDWICH GENERATION

Many adults today are caught between caring for aging parents while still supporting children. This “Sandwich Generation” faces emotional strain, time constraints, and significant financial burdens.

As life expectancy increases and families delay child-rearing, these overlapping responsibilities become more common.

Smart long-term planning eases these pressures and helps ensure your loved ones aren’t left scrambling in a crisis.

Amanda's Dilemma

A Sandwich Generation Perspective

Amanda, like millions of Americans, didn't anticipate the demands of caring for both her children and aging parents. Without a plan, the emotional and financial toll was overwhelming. Her experience highlights the importance of preparing before the need arises.

"There are only four kinds of people in the world: those who have been caregivers, those who are currently caregivers, those who will be caregivers, and those who will need caregivers."

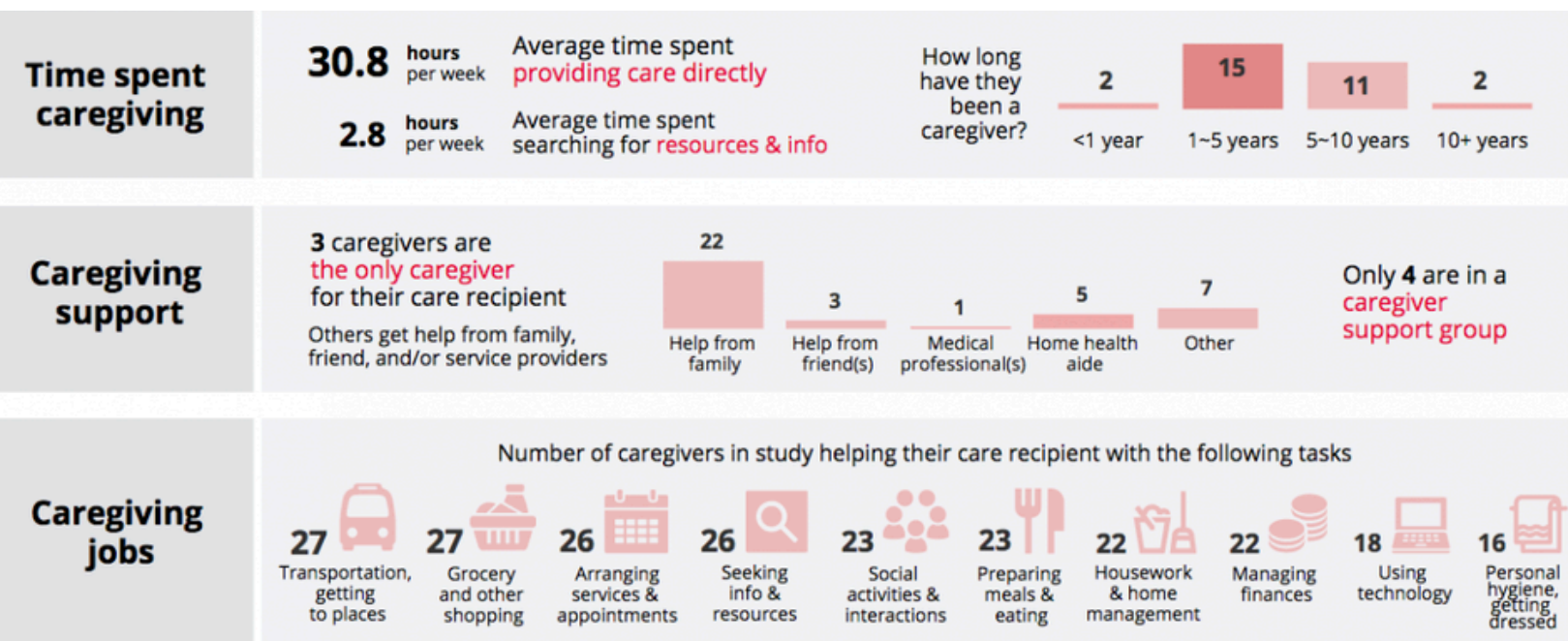
Rosalynn Carter, former First Lady of the United States
August 5, 2012



CAREGIVING

MIT AGE LAB

[CLICK HERE](#)



Many people assume Medicare or health insurance will cover chronic care needs—but these programs typically cover only skilled medical services.

Routine help—like bathing, dressing, managing medications, or getting to appointments—is often not included. Without planning, these costs and responsibilities fall on loved ones.

Planning now protects both your future quality of life and your family's financial stability.

PLANNING FACTORS

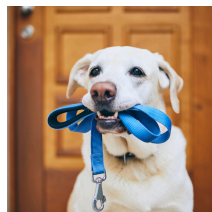
Longevity planning requires more than budgeting. It means:

- Anticipating age-related needs
- Adjusting for increasing care costs over time
- Preparing for a potential loss of independence

This plan must include those you may need to rely on for care or oversight. Open, honest conversations help ensure your wishes are realistic and respected.



BILL PAYING



DOG WALKING



**DRUG
MANAGEMENT**



SNOW REMOVAL



ADAPTIVE DEVICES



FOOD DELIVERY



**LAWN
MAINTENANCE**



HOUSE CLEANING

This plan must include those you may rely on for care or oversight. Open, honest conversations help ensure your wishes are realistic and respected

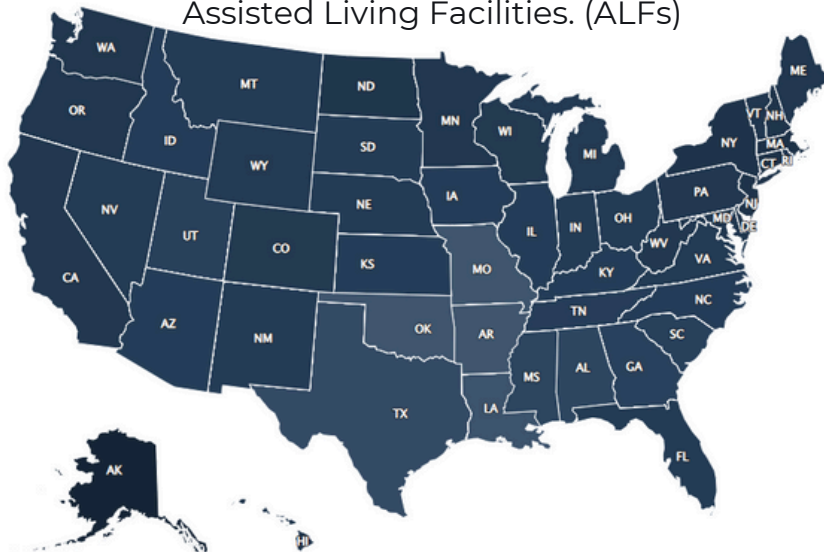
PLANNING FACTORS

Planning for longevity also has to be a collaborative effort as it requires buy-in from those upon whom you wish to designate as having financial and health care oversight. No matter how loving a family, choosing others to provide future care can't be done without a frank discussion of the implications upon their lifestyles as well as yours.



Understanding what caregiving might actually entail may lead to an uncomfortable discussion but it is far better than leaving loved ones totally unprepared when an emergency arises. For practical and economic reasons, many families choose to combine paid caregiving with informal caregiving,... that which is provided by family or friends.

Whether your plan is to age in your own home or move to a residence where there are services and socialization, you need to have some familiarity with the associated costs. Unfortunately, the many online cost-of-care calculators only provide average hourly costs for home-health aides or average room and board costs at Assisted Living Facilities. (ALFs)



PLANNING FACTORS

When asked, most people will say they would like to age in their own surroundings. However, that could be more expensive than moving to a residence where services are provided unless family or friends can take on a good many of the tasks.

When comparing the costs of aging in place to the cost of senior living communities, be aware that the cost of assisted living rises with the level of care required. Most online estimates only account for room and board..



The online cost-of-care calculator provided by Nationwide Insurance is better than most because in addition to projecting future average costs-of-care, it allows the user to customize assumptions regarding the amount of care that may be needed.

Typically the cost estimates are based upon 40 hours of care per week from a home health aide. Someone needing help dressing and bathing would need help with other tasks as well. The number of hours of direct care plus hours needed for providing other services can vary dramatically depending upon individual needs. A cost of \$6,000/month would not be an unusual cost for a moderate amount of home at home.

Planning on moving in with the kids?



PRIVACY? - YOURS & THEIRS



ACCESSABILITY? SAFETY?



NECESSARY RENOVATIONS?



RENOVATION COSTS WHOSE EXPENSE?



TIME NEEDED TO COMPLETE RENOVATIONS?



IMPACT UPON EXTENDED FAMILY RELATIONSHIPS?

We have established that the longer the life the greater the chance there will be a need for care. How much care might be needed for any individual is an unknown, but that doesn't mean you can't mitigate the impact on your lifestyle or the lifestyles of your loved ones.

The majority of people in this country either haven't

FUNDING OPTIONS



planned for these expenses or are relying on their families without examining the impact. Others have given this some thought and assume their savings and assets will see them through. Using retirement savings or other hard assets is the most expensive way to cover chronic care expenses. Withdrawals from tax-qualified plans

are subject to income tax. Chronic care cost estimates can range from \$40,000/year to over \$180,000/year for nursing home care. Withdrawals to cover these costs in addition to anticipated living expenses can easily push the account owner into higher tax brackets. Even the affluent will feel the pinch when several years of large withdrawals create a downward spiral of diminished account balances producing less income.

Liquidating asset is another option that often is not well thought out. The value of real estate, collectables and stock portfolios are subject to market conditions. Some assets are not liquid and take time to divest. Transactions can be complex and beyond the ability of the owner to effect when care is needed. They are also liquidation fees to consider.

HOME EQUITY MEDICAID VETERANS' BENEFITS

Another method of covering the costs of chronic care is to tap into the equity in your home through the use of a [REVERSE MORTGAGE](#). They have become more and more popular for those who plan to age in place. To qualify you must be over age 62 and own a private home, not a co-op. Condominiums may or may not qualify. It's important to seek the advice of a Reverse Mortgage Specialist. This kind of financing is strictly regulated and one need not be afraid of a bank foreclosure and becoming homeless.

Funds received from a reverse mortgage can also be used to pay for Long Term Care insurance if the home owner qualifies with regard to age and health.



[MEDICAID](#) is sometimes referred to as the insurer of last resort. Medicaid is not free, you must qualify both medically and financially. Of all the states, New York allows the most benefits at home. However, because of economic pressure, New York has recently made medical qualifications more stringent.

(Federal and state laws are always subject to changes. Consult a qualified attorney for the most up to date information.)

For veterans of the Armed Forces and their spouses, a [VETERAN'S AID AND ATTENDANCE PENSION](#) may be available. To be eligible you must meet the criteria in three areas: service-related, medical needs and financial needs.

INSURANCE CHOICES

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Insurance choices are only for those who meet an insurance company's underwriting and age criteria. If your health is not up to the insurance company's underwriting standards, they will not issue you a policy. If you defer applying for insurance, you will find the premiums at the time of issue become more and more expensive and may be beyond what you can afford or choose to pay.

There are 3 primary ways in which insurance can help defray chronic care costs.:

TRADITIONAL LONG TERM CARE INSURANCE is the most flexible and provides the most insurance for your premium dollar. These policies are pure insurance and do not have a cash value. If you never submit a claim, there is no residual benefit. These policies traditionally grow in value because most people choose to include inflation riders in their policies. They may also be tax-advantaged.

HYBRID or ASSET BASED policies have guaranteed premiums, limited pay periods and provide a tax-free life insurance benefit if you don't access the benefits for long-term care services.

These policies were originally created for people who own CDs or Money Markets accounts with large balances. Transferring a sum of \$50,000 or more to an asset-based plan can leverage the premium from 2 to 6 times for Long-Term Care benefits.

LIFE INSURANCE WITH LIVING BENEFITS allows those with a need for life insurance to purchase a policy that can benefit the insured if necessary. If the insured needs care before death, he/she can advance the death benefit for his/her own chronic care needs. Since these policies do not have inflation features, they should not be used as the primary funding method for care. They are more likely to be a supplement to the other two types of insurance.



ANNUITIES

Annuities are an insurance product and used as a way to ensure an income stream after age 59 1/2. Annuities often supplement other retirement vehicles like 401(k)s and IRAs. Annuities grow tax-free but distributions are taxed as ordinary income. Annuities with Long Term Care riders are taxed the same way unless the distributions are used for qualified long-term care expenses. In that case, the benefits received are not taxable.

Unlike regular annuities, those with Long Term care riders do require some underwriting. However, it is easier for people with health issues to qualify for these than Long Term Care insurance. While many people buy these annuities with funds from CDs, savings and Money Market accounts others may choose to pay by transferring funds from existing annuities or cash value life insurance that is no longer needed. Transfers from other annuities or life insurance are not taxed and referred to as 1035 exchanges, so named from the IRS code.

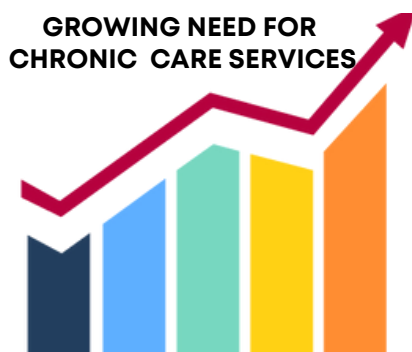
Annuities with Long Term Care riders and Short Term Care coverage are not available in all states



SHORT TERM CARE

Some illnesses, injuries or recovery from surgery are temporary in nature but the patients may still need assistance. If the condition is not expected to last 90 days or more benefits from Long Term Care policies will not pay any benefits.

Short Term Care coverage will pay for these situations. Short Term Care may also fill the gap for those who have long waiting or elimination periods in their Long Term Care coverage





DON'T QUALIFY FOR INSURANCE?

TWO MORE OPTIONS

HOME HEALTH CARE SERVICE PLANS

For those who do not qualify for other funding options, a Home Health Care Service Plan may help defray the cost of home care by several thousand dollars a month.

Service plans provide a predetermined number of care hours at a greatly discounted price. The subscriber or member can choose among different plans for an annual or monthly fee. The difference among the plans is the number of hours being purchased.

These plans are NOT insurance. There is guaranteed acceptance for everyone who is not currently receiving care. Unlike insurance, there is no medical underwriting, no deductibles, no age limits and no claim forms.

Members can access benefits once they have been in the plan for 90 days following enrollment. Members can access benefits with just a phone call

**ASK US ABOUT
LIFE SETTLEMENTS**

If you have been denied Long-Term Care Insurance coverage due to health history or age limitations or your LTC policy benefits are inadequate, you can still get access to these plans as long as you currently live independently.



PAY PREMIUM OR PAY COSTS?

SELF PAY	ASSET	ASSET - BASED LTC INSURANCE
Dollar for Dollar	CDs	2-6 Times Leverage
Income Tax	Retirement Accounts	No Income Tax
Capital Gains Transaction Fees	Stock Portfolio	No Fees No Tax
Market Conditions Transaction Fees	Illiquid Assets	No Liquidation Costs No Transaction Fees

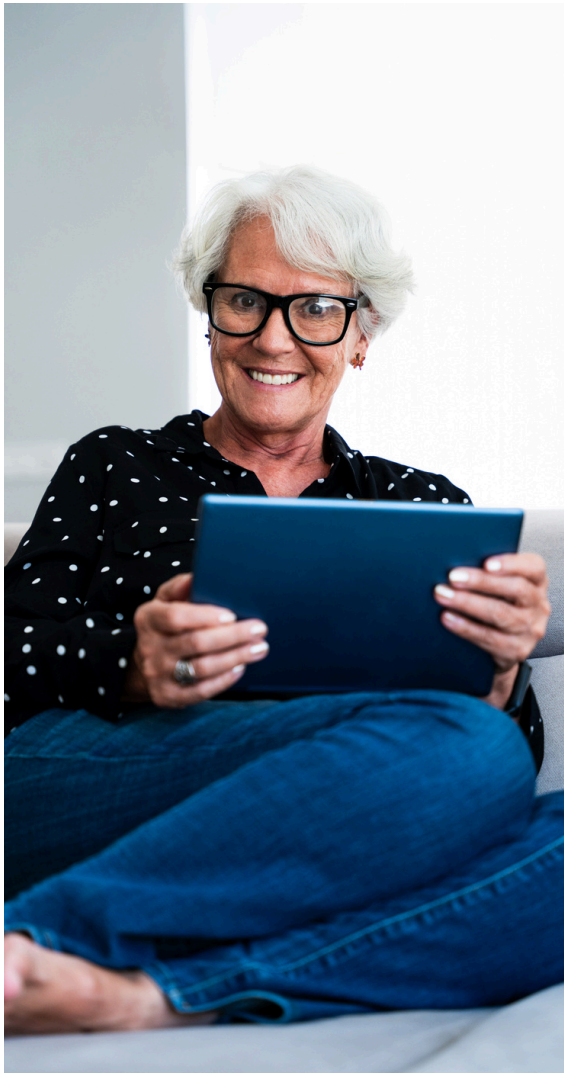
ASSETS EARMARKED FOR ONE PURPOSE CAN'T
SIMULTANEOUSLY BE USED FOR ANOTHER
WITHOUT CONSEQUENCES

When you pay premiums and never use the benefit,
you will have lost *just the premiums*.

When you don't pay premiums and need the benefit,
you risk *your entire net worth*.

FINAL THOUGHTS

SHOPPING FOR RATES



Because insurance rates are filed with each state's department of insurance, shopping for insurance based on price can only lead to confusion. If you find differences in quotes for the same amount of insurance from the same company, the policies cannot be the same. There has to be differences in the plan design for which you may not be aware. Producers do not have the ability to "make deals". They do have the ability to tailor the coverage to your needs within certain parameters.

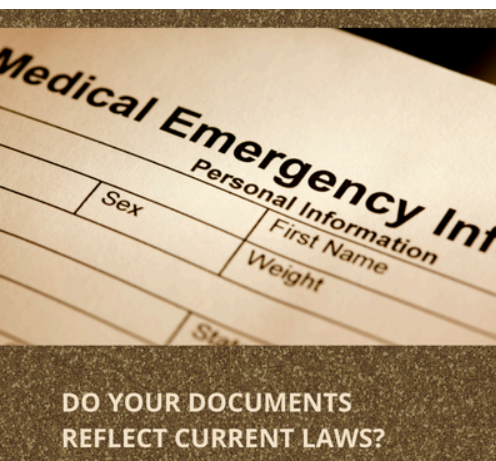
Instead of shopping for a rate, shop for an insurance professional you can trust who will do the shopping for you according to your budget, needs and values.



A CHECK LIST FOR A BULLET- PROOF PLAN

- ✓ THINK ABOUT YOUR FUTURE LIFESTYLE INCLUDING GEOGRAPHY AND HOUSING.
- ✓ RESEARCH COSTS FOR IN-HOME AND FACILITY CARE.
- ✓ HOW WILL YOU FUND COSTS ABOVE YOUR NORMAL MONTHLY EXPENSES?
- ✓ WHO WILL OVERSEE YOUR FINANCES AND PAY BILLS?
- ✓ WHO CAN YOU RELY ON TO MAKE MEDICAL DECISIONS IN ACCORDANCE WITH YOUR WISHES IF NECESSARY?
- ✓ INFORM YOUR LOVED ONES OF YOUR DECISIONS!

***MEMORIALIZE YOUR PLAN WITH
A TRUST & ESTATE OR ELDER LAW ATTORNEY***





No matter your industry, we can create materials that conform to your company's brand and message while featuring each associate in human terms that connect with their target markets.

- Personalized Narration Builds Credibility
- Audio on Every Page for On-The-Go Learning
- Smart Links Drive Web Traffic
- Keyword search Enhances Navigation
- Leadgates Turn Viewers into Qualified Leads
- Unique Delivery Stands Out
- Multimedia Appeals to Every Learning Style
- Video Call-to Action Prompts Immediate Action
- Storytelling Converts More Prospects
- Multiple consumer guides promote cross selling



Disability
Long Term Care
Executive Benefits

By combining personalization, convenience, and psychological triggers, Lavender-Landings content does more than inform—we influence.

Every piece is optimized to deliver results across digital channels and devices



We create communication materials
that make your message indelible
....like tattoos on the brain



Lynn Lavender



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