

Long-Term Care Insurance

**“Yes, No, or
Maybe”**

CANHR
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Senior Staff Attorney

What does this mean?

“The probability of someone 65 or older needing Long-Term Care at some time is 70%. ”

What does this mean?

Estimated Years Of Needing Long-Term Care After Turning Age 65

None	31%
1 year or less	17%
1 to 2 years	12%
2 to 5 years	20%
<u>More than 5 years</u>	20%

What ever it means, it doesn't mean nursing homes because....

- There are 4.3 million seniors in California.
- In California there are 118,786 nursing home beds
- The SNF occupancy rate is at 86%

What is the real chance of going into a **nursing home** and staying there for more than **five years?**

It isn't 20.0%

It is  1.1%

OSHPD LTC Facility Utilization Trends

Discharges by Length of Stay

Less than 2 weeks	34.1%
2 weeks to 1 months	24.2%
1 month to 3 months	8.5%
1 year to 2 years	3.6%
<u>5 years or longer</u>	<u>1.1%</u>

The Mix: How a SNF gets paid

Medicare	11.5%
Medi-Cal	65.4%
Managed Care	4.5%
Self Pay	11.5%
Private Insurance	2.7%
All other	3.9%

The Myth of Medicare

You get **100 day** of
nursing home days

- Three continuous nights requirement
- Observation vrs. Admission

The average # of Medicare
days in a SNF = **18 Days**

With a 90 day Exclusionary Period

In 2015,

83.5 percent of nursing home residents were discharged after a stay of three months or less.*

***California Association of Health Facilities**

Here, the LTC policy pays ZERO.

What happens after 90 days?

Policies pay a per diem

Average Private Pay Rate

California 2017

\$283 per day

Typical LTCi Policy pays - **\$150 per day**

\$133 per day

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Resident makes up any short fall

Medi-Cal – If you qualify you don't need LTCi

Exempt Assets:

House

All personal property

IRAs, 401Ks, Pensions

**Community Spouse Resource
Allowance \$120,900**

Medi-Cal Qualification Income

The resident keeps **\$35** of income

– All the rest goes to share of cost

**Minimum Monthly Maintenance Needs
Allowance**

\$3,023

- If there is a Spouse or Registered
Domestic Partner

Welfare and Institutions Code

Section 14019.7

(a) Notwithstanding Section 14019.4 and if permitted by federal law, **a relative of a skilled nursing facility resident** who is a beneficiary under this chapter **may pay an additional amount to the facility to enable the resident to obtaining requested non-covered services, such as a private room, telephone, or television**, or for bed hold days that exceed a period paid for under the state plan.

Medi-Cal Recovery

The New Medi-Cal Recovery Laws

Effective January 1, 2017



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