

August, 2015



Long-term care misconception

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Ask someone what they think about long-term care and you'll hear a range of responses such as "I have insurance for that" or "I don't want the nursing home to take all my money." Unfortunately, many of these responses are based on false ideas which can result in more fear and anxiety about long-term care.

Some of the more common misconceptions include believing Medicare will cover the costs of long-term care, giving away money to family members before entering a nursing home to protect the assets and the belief that owning insurance is the same as having a plan.

One of the major limitations with Medicare health insurance is that it does not provide any benefits for long-term care (defined as care needed in excess of 100 days). For shorter stays in a nursing home (typically for rehab or acute medical conditions), Medicare may cover the cost which is why some people mistakenly assume that Medicare also pays for longer stays in a nursing home. Medicare supplement policies also do not pay for extended stays in long-term care facilities.

Another strategy (that worked in the past albeit with major caveats) is to give away assets prior to entering a nursing home through a technique called "divestment." While this approach can still be used with careful planning far in advance of needing care (typically at least five years), it still results in surrendering control of your property in order to qualify for Medicaid. The Medicaid program (separate and distinct from Medicare) is more of a last resort option than the preferred strategy for covering long-term care expenses.

Unless you rely on family or qualify for Medicaid, the two other options for covering long-term care expenses are insurance and using your own financial resources. Just because you have long-term care insurance, does not mean you have a plan for how long-term care will be delivered. Most policies sold today only cover a limited amount of care so thought needs to be given to what happens if an insurance policy is exhausted.

More importantly, thought needs to be given to what your preferences are for how care will be delivered. Will it be at home, an assisted living facility or a nursing home? Of course, you cannot predict the exact outcome of your long-term care needs (or whether you'll even need care) but you can start a discussion now with the people who might be involved in helping to coordinate your care needs in the future. 




LTC Workshop being repeated – Sept 22

One of the key components to your estate plan is having a long-term care plan in place. Long-term care is defined as “care needed for a period of greater than 100 days,” according to Allen Hamm, author of “How to Plan for Long-Term Care.”

In this unique workshop delivery, Allen Hamm will join the discussion via webinar and provide an overview of the long-term care planning services he offers through his partnership with Financial Service Group. Allen will address your questions and concerns about long-term care and augment the interactive discussion on this topic. Jack Louks from BrightStar Health Care will also join us to talk about local home care options.


When: Tuesday, September 22, 2015 from 6:30 p.m. to 8 p.m.

Where: 4812 Northwestern Avenue | Mount Pleasant, WI 53406

RSVP: call Paulette at 262-554-4500 to reserve your seat! 

Retiree panel to share perspectives

Mark your calendar for November 17 6:30 to 8 p.m. at our office for this special event! You're invited to join Financial Service Group at our upcoming panel discussion intended to share what life after retirement is like. The panel will consist of several retirees who have taken different paths since retiring. They will share what has surprised them, what to expect, and other valuable insights from the other side of the fence.

Seating is open to clients and guests but is limited. **Please reserve your spot by calling Paulette at 262-554-4500.** 

New tools available

We are pleased to introduce a new website dedicated to topics related to your career and how you can maximize your vital career asset. The site also includes a free download of several chapters of Mike Haubrich's book, *Career Asset Management: Getting Ahead, Staying Ahead and Using your Head to Maximize your Career Value.*



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