

Dear Clients, Family and Friends:

Over the past few years, I have had the pleasure of working with many families as they make critical decisions for their future. Many of those decisions are focused on either building for a better future or trying to protect the legacy that they have worked for years to establish. Our role as planners and educators to assist families with those two important tenants is becoming increasingly more important, and families will need to become more proactive in adopting solutions that can help them adapt to these emerging trends. One of the most critical points of discussion is around the affordability of health care and what can be done to ensure that those costs do not deplete your legacy.

The reality is that we have an aging population that is living longer and requiring more assistance. That assistance can come in the way of home health care, adult day care or skilled nursing. Each of these services can carry a significant cost and if you have not properly prepared for those costs, then that presents a real risk to your retirement assets. When it comes to this type of care, statistics show that the majority of us will require some sort of care whether it be due to an accident, ailment or other medical issues.

In this personal letter, we will begin to address one of the most important topics when it comes to planning for these types of health care costs: **Long-Term Care**.

Our objective is to provide you with the fundamental reasons to consider Long-Term Care, how you should evaluate your needs, when you should address it with your family and why it may be a good fit for your Investment and Retirement Plan.

Starting the Conversation

In all likelihood, you or a loved one will need care in some capacity, and starting this conversation should be a question of “when,” not “if.” This type of mindset, in addition to a general lack of understanding around Long-Term Care, has left many unprotected. Therefore, the need to begin the conversation with your loved ones is critical. Before you begin that process, it is important to educate yourself about why this can be a key tool in protecting your retirement assets and working towards a solution that can give you peace of mind with respect to your legacy. Enclosed is an article that discusses the misconceptions related to Long-Term Care and the tools that are available in the market: [Protecting Wealth from Long-Term Care Expenses](#). Additionally, I have included a piece on how to get the conversation started with your family members: [Lets Talk](#).

Cost of Care

One of the common themes in our discussions with clients is health care and its potential devastating impact on an individual or family’s Investment and Retirement Plans. According to a study by Lincoln, about 40% of seniors age 65 or higher will have at least one disability and need assistance in some manner. Furthermore, Genworth’s 2016 Cost of Care study has a home health aide costing around \$45,000 with costs escalating to

around \$90,000 per year, if you require treatment in a facility. Also consider that most everyone will need assistance at one point or another due to longevity or an ailment.

Enclosed is the link to Genworth's Cost of Care study: [Cost of Care](#) and a link to Genworth's site: www.genworth.com, which will allow you to better assess the costs of care in your specific area, because there is a lot of variance and the numbers referenced above are only an average/estimate.

Important Considerations

When evaluating Long-Term Care with your families, the key points to consider are what assets may be available to use for medical issues, how much you would like to protect and what potential solutions may be available to use. Long-Term Care can be expensive, but the cost is minimal in comparison to the potential devastating consequences of just one medical event for a family. Most individuals cannot completely insure against a Long-Term Care event, but it must become a priority, so that there are certain protections in place. Enclosed is an article from MetLife that outlines the ten things you should consider when evaluating the type of tool that may be right for insuring your family: [Purchasing Long-Term Care Insurance: Ten Key Considerations for Consumers](#).

Planning

After discussing these important topics with your family, contact your advisor to discuss the types of tools that may work for your Investment and Retirement Plan. As we have discussed, it helps to protect against a drawdown of your retirement assets and prevents against the sole burden of caretaking falling upon a family member. Keep in mind that it is most likely unreasonable to insure completely against a Long-Term Care event, so it is important to find a solid balance between what is affordable and what can be leveraged as a risk management tool inside your Investment and Retirement Plan. Genworth has created an excellent guide to building a living plan for you and your family, and a portion of this article addresses planning for health care expenses: [Plan for Living: A Workbook for Your Retirement Preparation](#).

Qualifying

Once you have discussed this with your family and created a plan with your advisor, then it is time to look for the type of solution that you can qualify for based on your medical information. Take the time to compile this information in advance, so that your advisor can help you determine what may be the best fit to accomplish your Investment and Retirement Planning objectives. In order to help you with this process, we have enclosed a one-page health questionnaire to get you started on the evaluation and data collection process: [Long-Term Care Insurance Medical Pre-Screening Questionnaire](#). The more prepared you are for the medical/cognitive evaluation, the smoother the process will go, so that you will be able to focus your efforts on making sure this is the right solution for your family.

Summary

The time for families to have these types of conversations has never been more important due to rising costs of health care and the emotional toll that caretaking can have on an individual. We will all need to serve as a caretaker at some point, but having a solution in place to assist you during that process will allow you to focus on spending quality time helping your loved ones.

We encourage you to take the time to understand your options and what is available to you, because it is only a matter of “when,” not “if,” you will need a solution.

We hope you found this resource helpful as you continue to evaluate your Investment and Retirement Plan for 2017.

If you have any questions regarding Long-Term Care Insurance or anything related to your Investment and Retirement Planning efforts, please contact us or click on the following link to schedule a review using our new online booking tool: [Book Review Today](#).

We look forward to the next opportunity to assist you in financially preparing for your future.

Thank You,

Sheila Eivazi