



17. LONG-TERM CARE INSURANCE

This Course Provides:

4 CE Credits Life (All Provinces except Alberta)

4 CE Credits A&S

What will the Advisor learn by taking this course?

Besides the fact that death and illness are never easy subjects to introduce, the statistics are daunting.

Who is going to live to 100 anyway? Maybe your clients and prospects. Statistics Canada said there were 8,230 centenarians in 2016, a 42.3% increase from 2011 and the number will grow to 78,300 by 2061 — one of the highest growth rates of any population group in the country.

The Canadian Life and Health Insurance Association says over the next 35 years as Baby Boomers grow older, the bill for providing for them will be about \$1.2-trillion and government will only cover half that tab.

A poll conducted by Leger Marketing, albeit sponsored by the insurance industry, found 67% of Canadians have no plan to cover the ongoing costs of long-term care.

When advisors try to approach the topic of long-term care with clients, they often hit a brick wall of denial. This makes it even more urgent that they do everything possible to break down resistance.

Clients are unlikely to bring the topic up on their own — unless they've seen someone close to them must deal with declining health.

At the same time, the market for long-term care insurance has been in free fall. It's no wonder avoidance is the planning default — which is exactly why advisors need to sit down with clients and have a talk about long-term care, experts say.

“It's critical that financial advisors have a conversation about long-term care with clients, with documentation. This is very necessary in today's world, or you may just end up in a lawsuit if you do not at least offer Long-Term Care to your clients and prospects.

This course will cover:

- The evolution of long-term care and home care situations will be discussed.
- An introduction for the agent or broker into the long-term care market.
- Various Government statistics showing the need for long-term care are shown to establish the need.
- Who is most likely to need long-term care?
- Changes in the Government Health Care system and why funding long-term care through an insurance policy vs. other alternatives is attractive.
- Various policy options will be discussed such as: elimination periods, premiums, exclusions & limitations, renewability and other important features.
- Various conditions that must be met in order to collect benefits and what types of facilities are covered?
- Terminology that the agent or broker should know when presenting Long-Term Care or Home Care Insurance policies.
- What conditions must be met in order to collect benefits? For example, some policies require prior hospitalization before coverage for Long-Term care services.
- Does it pay for any type of nursing home costs or just the costs of nursing homes that provide skilled care? When will it pay for custodial home care or hospice care?
- What types of facilities are covered? Some policies will only pay for care in facilities that meet *their* definitions of skilled, intermediate, or custodial care. Some company definitions will be more restrictive than others.
- Are there built-in benefit increases to allow for inflation or is the benefit amount pre-fixed? Are there provisions that would provide some coverage should your policy lapse in future years? Are expenses outside your local area covered? What is specifically excluded from coverage? Will your premiums go up, as you get older?
- Will you have to continue paying premiums if you go into a nursing home?
- Is the policy guaranteed renewable? Such a provision means that the company cannot cancel the policy for any reason except nonpayment of premiums