

The “Daily Plan-It™”

ESTATE & BUSINESS LAW GROUP, P.C.

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Interesting Long-Term Care Trend: Boomers Are Insuring Their Parents

Financial advisors have long touted to clients the benefits of buying long-term care insurance. While the recession has possibly motivated clients to listen to these benefits more than ever, they aren't new.

What is new is who clients are buying long-term care insurance for — their parents.

Keeping Mom & Dad Out of Poverty

According to a recent article at OnWallStreet.com, financial advisors are seeing middle-aged clients asking about buying long-term care insurance for their less well-off parents. Often this is to protect not only their parents' estate, but their own future as well.

Many have just had a relative go through being in a nursing home, and they see the devastation and the stress it causes. They're concerned their parents don't have a lot of means, and thus want to buy insurance.

Sometimes several siblings will split the cost, though the burden of care typically falls on only one sibling.

What If Insurance Isn't an Option?

However, some clients may not be able to afford providing long-term care insurance for a parent. Or, perhaps the parent is already incapacitated and it's too late to buy insurance. If that's the case, these clients' parents could be eligible for Medicaid.

Refer these clients to an estate planning and/or elder law attorney who can provide information on Medicaid eligibility and asset protection strategies.

It's a good idea for advisors to find out if long-term care insurance or Medicaid is in the mix for their middle-aged clients' parents. Find out what assets the parents own, what their source of income is and whether they are likely to become incapacitated.

Advisors can use this conversation to emphasize the importance of baby boomers insuring themselves for their own future care.

Our Families Are No Longer Like *The Waltons*

Years ago the objection most seniors had to buying long-term care insurance was either, “I won't need it,” or, “My kids will take care of me.”

Remember how *The Waltons* showed us three generations of a family living together? The grandparents helped quite a bit. Their kindness was returned when they became incapacitated and their children became caregivers. That's just how it was.

But today's families rarely reach that ideal. Children who nursed their elderly parents are saying, “I don't ever want to put this kind of burden on my kids.”

That's why they're increasingly buying long-term care insurance for their parents or exploring how to help Mom and Dad receive Medicaid benefits. As an advisor, you can help them accomplish this.

As always, I hope this article has helped you and your clients. If you have a specific case or concern, please contact our office.

Workshop Schedule

The Truth about Estate Planning

Usually Tuesday nights, 7:00 pm
(Please call for current dates)



IRA Preservation Planning

Learn how to properly protect your IRAs and what the IRA Preservation Trust can do!

(Please call for current dates)

On February 8, 2006, President Bush signed into law the Deficit Reduction Act of 2005 (DRA 2005), which included the most sweeping changes to [Medicaid](#) laws ever enacted.

Medicaid Planning Workshop

The new Medicaid laws and some of the planning options that are still available, even in light of these sweeping changes.

Usually Tuesday nights, 7:00 pm

(Please call for current dates)

Registration: Contact Mary Lang at (847) 367-4460

<http://eblawgroup.com>

ESTATE & BUSINESS LAW GROUP, P.C.

Howard M. Lang, J.D. & Marguerite A. Kopke, J.D.

847-367-4460

We invite you also to direct your clients to
http://eblawgroup.com/FAQ_medicaid.htm
for more information on Medicaid Planning.