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Internet Resources for Long-Term Care Insurance

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ON-LINE

Internet Resources for Long-Term Care Insurance

This issue looks at long-term care insurance on the Web. The various perspectives represented and information provided by insurance governance organizations, consumer advocacy groups, and insurance companies create a solid basis for beginning the decision making process with regard to LTC insurance.

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By Robin C. Schard

Long-term care insurance is private insurance that covers many different services, from nursing care to in-home care and daily living expenses, items typically not covered or only partially covered by other types of health insurance or Medicare. The major considerations with long-term care insurance seem to be who needs it and, for those who do, when should they buy it. Whether or not to purchase long-term care insurance depends on how much one has to lose. As with other types of insurance, whether the insurance will actually be needed is a gamble. Prospective purchasers must figure out if the odds are in their favor or stacked against them. Some of the odds include age, health, and financial holdings. Purchasers must weigh how long they could afford to pay for

care without depleting their savings.

Assuming one decides to buy long-term care insurance, most policies designate a specific dollar amount per day that can be used to pay for designated services. The policies will differ in amount, services covered, duration, and deductible, among other items. As a general rule, long-term care insurance is more expensive the older one is. Moreover, not everyone can get long-term care insurance. For example, someone who has had health problems may not be able to get coverage. It is best to gather as much information as possible before making the decision or purchasing the insurance, and the Internet is a great place to begin.

General Information

**Health Insurance Association
of America (HIAA)**
<http://www.hiaa.org>

This website has some really excellent consumer information.

The "Guide to Long-Term Care" covers most of the important factors to be considered when deciding whether to buy insurance and what insurance to buy. The guide briefly describes what long-term care insurance policies do and do not cover, what they cost, and what to look for specifically in a policy. The guide also has a checklist of questions to ask about a policy, and a little tax information.

Additionally, this website has a list of its member companies that sell this type of insurance. Each entry includes address and telephone number as well as company website, where available. In the General Insurance Information section of this page, the HIAA has two directories. One directory is for free insurance counseling, available in most states, and another directory includes contact information for state insurance regulators.

National Association of Insurance Commissioners (NAIC)
<http://www.naic.org/consumer.htm>

The best part of this page is the contact information and websites for state insurance regulators. The individual state websites typically include contact information and state laws and regulations concerning all types of insurance. The NAIC also publishes "A Shopper's Guide to Long-Term Care Insurance." This publication can be ordered online for under \$1.00.

American Health Care Association
<http://www.ahca.org/info/what.html>
and National Center for

Assisted Living
<http://www.ncal.org>

The guide, published on both of these organizations' websites, entitled "What Consumers Need to Know about Private Long Term Care Insurance," is an excellent starting point for understanding long-term care insurance. The guide explains this type of insurance, different aspects of the policies, and the cost of the insurance, and has a glossary of terms. (Yet another site attributes this information to the American Home Care Association.)

The Consumer Law Page
<http://www.consumerlawpage.com/article/insure.shtml>

This portion of the website, published by Alexander, Hawes & Audet, L.L.P., contains an article entitled "Avoiding Fraud When Buying Long-Term Care Insurance: A Guide for Consumers and Their Families" (under the link Ripe With Potential For Fraud). The article contains a detailed description of the pitfalls of choosing a policy, which basically boil down to reading the small print in the policy. Common problems seem to be inaccurate advertising, misleading information from agents, loopholes in the policies, and insufficient consideration of inflation.

United Seniors Health Cooperative (USHC)
<http://www.unitedseniorshealth.org>

The portion of this website on long-term care insurance has general information on buying (or not buying) this type of insurance, including how to choose an insurer and the organization's guidelines on who should buy long-term care

insurance. USHC also publishes the book, *Long-Term Care Planning: A Dollar & Sense Guide*, which can be purchased from this website for about \$20.00.

Association of Health Insurance Advisors (AHIA)
<http://www.ahia.net>

The Consumer Information section of this website includes a general guide to long-term care insurance. The association will email any number of more than twenty short articles with just the submission of an email address. The articles cover many different topics, from long-term care insurance to Social Security. Within the Disability Insurance section, AHIA has a state-by-state listing of insurance departments and insurance counseling.

National Aging Information Center
<http://www.aoa.dhhs.gov/NAIC>

It may take a long time for this page to load, but the information it contains is worth the wait. The Internet Information Notes connect the user to an alphabetical list of topics. One of the topics is long-term care insurance. For each topic, this site lists other relevant sites.

AARP
<http://www.aarp.org/contacts/health/privlrc.html>

This portion of the AARP website gives a general description of long-term care insurance. It includes information on who should buy long-term care insurance, when to buy, what to look for in a policy, and who to contact for additional information.

Insurance for Long-Term Care Promises Peace of Mind, But at a Dear Cost, Leonard Wiener, U.S. News Online

<http://www.usnews.com/usnews/issue/000605/nycu/longterm.html>

This article presents a description of long-term care insurance and the issues that arise when purchasing the insurance, such as the age at which to purchase it, the cost, and the policy coverage.

Insurance Providers

Many of the insurers who sell long-term care insurance have information about this type of insurance on their websites. For a listing of companies that sell long-term care insurance, check out the Health Insurance Association of America's website, listed above. Most insurers will only give general information on long-term care insurance since they would prefer that a prospective purchaser speak with an agent about the details of coverage. Several of the insurance providers' sites provide forms for the user to fill out to receive a quote or a call from an agent. The user should make sure that the forms are secure before providing any personal information. (The Web address for secure sites will generally begin with *https*.) The sites listed below, however, provide more than just a general description.

GE Financial Network

<http://www.gefn.com>

The website includes consumer information on long-term care insurance and a brief description of the plans available from this insurer. It also has a Cost Estimator for coverage. The estimate

is based on age and state of residence only, but it does give the user an idea of what coverage would cost. (Not all states allow estimates to be given this way.)

Long Term Care Information Center

<http://www.getltcinfo.com/main.asp>

This page, created by a group of brokers and insurance professionals, includes interesting resources. The Long Term Care Learning Tools provide general information about long-term care insurance and the decision to purchase it, such as how to design a policy, the cost of long-term care by state, and how to avoid fraud. The Consumer Education Tools include several calculators to help the user see the financial aspects of long-term care. There is an LTC Needs Calculator, which estimates the cost of not having long-term care insurance, an inflation calculator, and others. Researchers can fill out a form for a free quote; however, they will be contacted by an agent to receive the quote.

Long Term Care Insurance Buyer's Advocate

<http://www.prepsmart.com>

This website, sponsored by the Long Term Care Insurance National Advisory Council (see below), has some very helpful consumer information. For example, Tips to Lower Premium Expenses on Long Term Care Insurance provides practical suggestions on lowering the premium, as well as the consequences of the cheaper choice. The Long Term Care Premium Ranges section gives a side-by-side comparison of typical minimum and maximum

premiums, divided by age.

Long Term Care Insurance National Advisory Council

<http://www.longtermcareinsurance.org>

This site is more commercial than the ones listed above although the council consists of long-term care insurance professionals with a goal of providing access to consumer information. It does, however, contain more information on evaluating insurance policies and insurance companies, as well as basic information on long-term care insurance.

Mature Financial

<http://www.maturefinancial.com>

This site, presented by Mutual Protective Insurance Company and Medico Life Insurance Company, does not have much information about long-term care insurance, but it does allow the user to calculate the premium for insurance, based on age, daily benefit, benefit period, and other specific items. (Quotes are not available for all states.) Even if a quote is not available for the state, this page will show what the average costs for nursing care are in the area, determined by zip code.

Mutual of Omaha

<http://www.mutualofomaha.com>

This site has a nice side-by-side comparison Benefits Chart. While the chart is limited to products offered by this insurer, it gives the user a clearer idea of what options are available for coverage. The chart is located in the Personal Insurance Products; Long-Term Care Insurance section. (The user

must first select a specific state since information is not available for every state.)

State Farm Insurance

<http://www.statefarm.com>

While this site provides no information about long-term care insurance, it does have a program to get a non-binding estimate on the premium of a policy (where allowed by state law). The estimate is based upon state of

residence, age, benefit amounts, and duration.

Rating Services

Before purchasing a long-term care insurance policy, it is probably wise to make sure that the insurance company will be around long enough to honor it. There are a few publications that rate insurance companies, such as A.M. Best (<http://www.ambest.com>), or Weiss Ratings, Inc.

(<http://www.weissratings.com>). Other publishers, such as Standard & Poor's (<http://www.standardpoor.com>), evaluate companies, including insurance companies. Although these publishers have websites, not all of the rating information is available for free from their website. The user may have to pay for the information on the Internet or travel to the local library to use the material in print.

Websites Mentioned in This Column:

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- AARP www.aarp.org/confacts/health/privltc.html
 - A.M. Best www.ambest.com
 - American Health Care Association www.ahca.org/info/what.htm
 - Association of Health Insurance Advisors www.ahia.net
 - The Consumer Law Page www.consumerlawpage.com/article/insure.shtml
 - GE Financial Network www.gefn.com
 - Health Insurance Association of America www.hiaa.org
 - Insurance for Long-term Care Promises
Peace of Mind, But at a Dear Cost www.usnews.com/usnews/issue/000605/nycu/longterm.htm
 - LTC Information Center www.getltcinfo.com/main.asp
 - LTC Insurance Buyer's Advocate www.prepsmart.com
 - LTC Insurance National Advisory Council www.longtermcareinsurance.org
 - Mature Financial www.maturefinancial.com
 - Mutual of Omaha www.mutualofomaha.com
 - National Association of Insurance
Commissioners www.naic.org/consumer.htm
 - National Aging Information Center www.aoa.dhhs.gov/NAIC
 - National Center for Assisted Living www.ncal.org
 - Standard & Poor's www.standardpoor.com
 - State Farm Insurance www.statefarm.com
 - United Seniors Health Cooperative www.unitedseniorshealth.org
 - Weiss Ratings, Inc. www.weissratings.com