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Save More with Long Term Care Insurance by Kaycee Bishop

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It is puzzling why people would always compare the cost of care with long term care insurance cost when these two are actually not supposed to be compared as the latterâ€™s price tag is way much lower.

Families of in-home care recipients, for instance, would spend roughly $3,195 every month just for a home health aide whose job is mainly to assist their elderly or disabled loved one with his activities of daily living (ADL) such as eating, dressing, bathing, toileting, management of his continence, and transferring.

Meanwhile, nursing home residents are spending approximately $210 daily or over $78,000 annually for a private room. These figures are too much compared to $500 which a 45 or 50-year-old has to shell out for the annual premium of a comprehensive long term care insurance (LTCI) policy.

Contrary to most peopleâ€™s misconception, LTCI policies do not cost as much as their total annual income. Itâ€™s long term care (LTC) costs that can eat up peopleâ€™s finances that is why all Americans are advised to plan their future health care needs, lest they are willing to see their money and other properties go to estate recovery.

LTCI policies become expensive only when these are purchased at a later age like 60 years old or over because it is around this age that oneâ€™s health starts to deteriorate or change. Insurance companies selling LTCI policies have underwriters who are very particular with the health condition of each consumer or applicant, so if you decide to buy your policy once youâ€™ve turned 65 or 70 be ready to fork out $3,000 or more for the premium of your coverage.

Keeping Long Term Care Insurance Cost Low

Itâ€™s true that LTCI policies come with discounts but if you buy at a later age you will barely feel the discount in your premium because youâ€™re likely to be charged with a higher premium rate.

Buying your policy young will not only qualify you for the preferred health discount, it will also allow you to settle for a low maximum benefit amount and save a chunk on your premium. If youâ€™re worried that your benefits wonâ€™t conform to tomorrowâ€™s cost of care, thereâ€™s no need for that. T the 5% annual compound inflation protection your maximum benefit will double every 14 years. By the time you start to require LTC, youâ€™ll be surprised that the total amount of your daily benefit is way higher than it was initially.

Truth is that itâ€™s better go for a policy with a lower benefit amount and a 5% annual compound inflation protection rather than one that has a large maximum benefit amount and 5% simple inflation because this will result in more out-of-pocket expenses.

Spend less time talking to naysayers feeding you with false information about LTCI policies as they are only going to confuse you. Youâ€™ll find it more valuable to discuss with your insurance agent a potential coverage and what goes into long term care insurance cost.

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Kaycee Bishop - About Author:
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