

LTC Quiz Answers

1. Disability insurance and LTC insurance cover the same things.

False. Disability insurance provides you with income if you become sick or injured and are unable to work. It is not designed to cover LTC expenses.¹

2. The average lifetime chance of needing long term care for an individual 65 years or older is more than 40%.

True. It is estimated that approximately 49% of people turning 65 will need LTC at some point in their lives, and that approximately 72% will use home care services.²

3. People have to spend all or almost all of their assets to get Medicaid benefits.

True. While the maximum level of assets you're allowed to keep varies from state to state, people are required to spend down assets to a significantly low level before they can qualify for Medicaid benefits.³

4. Medicare is not the primary funding source for most seniors' long term care costs.

True. Medicare spending accounted for 16% of total LTC expenditures in 2004. While Medicare primarily covers acute care, it pays for limited stays in post-acute skilled nursing care facilities and home health care.⁴

5. Most long term care is provided in a nursing home.

False. Most LTC is not provided in nursing homes. 80% of older adults who receive LTC do so in their own homes or community settings.⁵

6. Medicaid covers long term care services received at home.

False. Medicaid primarily covers long term care services in nursing homes. In states where Medicaid does cover home-based long term care services, it is done on a limited basis.⁶

7. Nursing home expenses for Alzheimer's Disease patients are covered by Medicare.

False. Medicare provides few benefits for the LTC services required by most people with Alzheimer's Disease. Full reimbursement for skilled nursing home care is limited to 100 days per benefit period, after which time the patient must contribute to the costs. Also, Medicare pays nothing if the patient requires only custodial care.⁷

8. The average length of stay in a nursing home is more than four years.

False. The average length of stay in a nursing home is 2.4 years. Of those admitted to nursing homes, 50% stay less than six months, and 10% stay three or more years.⁸

9. Nearly 40% of the long term care population is under the age of 65.

True. 37% of people receiving LTC are between the ages of 18 and 64.⁹

10. On average, a one-year stay in a nursing home costs about \$30,000.

False. On a national average, a one-year stay in a nursing home costs about \$71,000.¹⁰

Long term care insurance is underwritten by John Hancock Life Insurance Company, Boston, MA 02117.

Policy Series: LTC-06, LTC-03, LTC-02
In Idaho: LTC-06ID, LTC-03ID
In North Carolina: LTC-06NC, LTC-03NC
In Oklahoma: LTC-06OK, LTC-03OK 10/03