

FRM-RHF.135 FG

## LONG-TERM CARE INSURANCE QUIZ

1. For those over age 65, Medicare will cover the cost of all medical expenses for acute and chronic care.

TRUE

FALSE

2. Everyone over 65 should buy a long-term care insurance policy.

TRUE

FALSE

3. One of every two people over 65 is in nursing home care.

TRUE

FALSE

4. The personal care for the majority of the elderly population (75 – 90 percent) is provided by family members.

TRUE

FALSE

5. The average stay in a nursing home is 12 years.

TRUE

FALSE

Educational programs of the Cooperative Extension Service serve all people regardless of race, color, age, sex religion, disability, or national origin.

## LONG-TERM CARE QUIZ ANSWER SHEET

### 1. For those over Age 65, Medicare will cover the cost of all medical expenses for acute and chronic care.

**FALSE** – The Medicare program, enacted in 1965, was designed to finance medical expenses associated with ACUTE and POST-ACUTE restorative care. Supplemental, private “Medigap” policies fill some of the Medicare gaps (e.g., deductibles and co-payments), but THEY DO NOT FINANCE EXTENDED LONG-TERM CARE SERVICES. As a result, many elderly Americans face the risk that catastrophic out-of-pocket expenses associated with chronic debilitating illness will result in their impoverishment. In particular, Medicare does not cover skilled nursing home stays beyond 100 days, stays of any length requiring intermediate or custodial care and home health care for those not confined to the home or requiring skilled nursing care. Medicaid, a federal/state program of medical assistance, covers long-term care for certain categories of poor people. Medicaid eligibility requires that individuals impoverish themselves before benefits begin. Through a process called “spend down,” the elderly deplete their assets to state eligibility levels. Available data indicate that as many as two-thirds of Medicaid nursing home patients entered the facilities as private payers. A Massachusetts study showed that 63 percent of these persons spent down to Medicaid eligibility within 13 weeks of admission.

### 2. Everyone over 65 should buy a long-term care insurance policy.

**FALSE** – If you do not have assets to protect and can accept the concept of “spending down” to qualify for Medicaid, or you have made financial arrangements to transfer assets, or you feel your potential risk is low, then long-term care insurance may not be necessary for you. You should answer the question, “What am I protecting?” before deciding to purchase long-term care insurance.

### 3. One of every two people over 65 is in nursing home care.

**FALSE** – The odds that you will enter a nursing home between the ages of 65 and 74 are about 1 in 100; between ages 74 and 84, the odds increase to about 7 in 100; and, after age 85, the odds rise to about 23 in 100.

### 4. The personal care for the majority of the elderly population (75 – 90 percent) is provided by family members.

**TRUE** – This indicates the need for the person who might need the care and the family members who would be involved in discussing various care arrangements BEFORE any decisions are made.

### 5. The average stay in a nursing home is 12 years.

**FALSE** – The average length of stay for “long-stay” nursing home patients is 2.5 years. Long-stayers are usually elderly persons who are no longer able to live in the community, and may be expected to spend the rest of their lives institutionalized. These long-stayers account for 91 percent of nursing home residents. There are a higher percentage of women in nursing homes because of their longer life expectancy. They outlive the husband (to whom they are generally the caregiver).

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