

Financial Planning Session

Thursday, October 30th 6:00PM-7:30PM

Fairfield Library, CT

Galia Gichon

galia@downtoearthfinance.com

Average costs for Assisted Living, Memory Care and Skilled Nursing

	Assisted Living	Memory Care	Skilled Nursing
National Average	6,129	7,292	9,555
North East	7,120	8,518	15,056

Average length of stay is 22-28 months.

Average hourly price of an aide/companion: \$25-42 per hour.

Source: A Place for Mom, Seniorliving.org, Carescout.com

Initial Costs

- Buy-in upfront fee. Range from \$100,000 - \$1M. Portion can be refundable if leave within a period of time.
- Initial move in fees range from \$1,000-\$10,000.

Surprise Costs

<ul style="list-style-type: none">• Medicine management.• Meal Upgrades and Guest Meals• Pet Fees• Late Payment or Lease Changes• Care Level Increases• Move-in / Community Fees	<ul style="list-style-type: none">• Medication Management Fees• Laundry and Housekeeping• Transportation• Supplies and Personal Care Items• Therapies and Specialized Services
---	--

Health Insurance

- Medicare starts three months before 65th birthday.
- Covers 80% of medical costs.
- Many people get supplemental insurance because Medicare doesn't cover:
 - a. Deductible for hospital visits
 - b. 20-25% of other medical costs

Long Term Care Insurance

- Best age to purchase is 50-59
- Annual fees can cost from: \$1,500-\$6,500
- Traditional LTC vs hybrid vs life-insurance rider
- Top Companies/AM Best rating
 - Mutual of Omaha Insurance Company, A+ (Superior)
 - Thrivent Financial, A++ (Superior)
 - Acacia Insurance, A (Excellent)
 - New York Life Insurance Company, A++ (Superior)
 - Nationwide Mutual Insurance Company, A+ (Superior)
 - National Guardian Life Insurance Company, A (Excellent)

Other Ways to Pay if no LTC insurance or little savings

- Pension
- Annuity
- Selling home
- Investments
- Life Insurance policies
- Medicaid

For example:

Paying for Assisted Living (\$7,000/month)

Resident: 78-year-old widow

Monthly cost: \$7,000

Goal: Cover 5 years of care (approx. \$420,000 total)

Source	Monthly Amount	Duration	Total Value
Social Security + Pension	\$3,000	5 years	\$180,000
Home proceeds / investments	\$4,000	5 years	\$240,000
Total 5-year coverage			\$420,000

Retirement Forecast

Calculate how long your retirement savings will last and how much you can afford monthly.

<https://www.nerdwallet.com/calculator/retirement-calculator>

