

Understanding the Importance of **LONG-TERM CARE PLANNING**

Straight Talk about Common Misperceptions
VOLUME 1 - FOUNDATION



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A long-term care plan can provide **FREEDOM** and **PEACE OF MIND**

This brief guide will help you accomplish the following.

- ✓ **Gain knowledge** about what long-term care is and is not.
- ✓ **Replace any old**, negative stereotypes about who provides care with honest insights and facts.
- ✓ **Identify the true risks** of needing long-term care.



Family protection

Defining What it Means to Need Extended Care

Long-Term Care, or “extended care” is the type of assistance a person needs as a result of a long-term impairment. Sometimes we refer to this as extended care, not long-term care, because the term “long-term care” can carry many misconceptions and negative assumptions.

The need for extended care begins with an impairment. When we become mentally or physically compromised, we need extended care. There are two types of impairments.

ACUTE IMPAIRMENT

- A sudden event that requires immediate medical attention (e.g., heart attack, stroke, broken hip, aneurysm)
- Treatment is provided in the form of a plan of care created by a physician and administered by a skilled medical team
- Full recovery is expected
- Types of care provided:
 - Inpatient hospitalization
 - Surgery
 - Formal rehabilitation services

CHRONIC IMPAIRMENT

- Ongoing physical or cognitive impairment due to,
 - An accident
 - Illness, or
 - Frailty associated with aging
- Treatment comes in the form of physical help with the Activities of Daily Living (ADLs) like bathing, dressing, eating, toileting and dressing. Help needed may be “hands on” or “standby-by”.
- Help may also be needed because of a cognitive impairment (e.g., dementia or Alzheimer’s disease) to ensure personal safety while interacting with others or the environment.
- Recovery is not anticipated
- Type of care provided: Custodial care, which is non-skilled care providing physical assistance with ADLs or supervision for those cognitively impaired.

Custodial care can be provided either **formally**, by paid professionals, or **informally**, by family or friends with no particular training in health care.

FORMAL CUSTODIAL CARE

Formal care is provided by paid professionals who may provide,

- Cognitive supervision
- Physical ADL help and/or
- Other chores in homes or residential care facilities.

Professional providers of custodial care include,

- Home care agencies
- Individual aides
- Transportation staff
- Adult Day Care Centers
- Assisted Living Facilities (ALFs)
- Continuing Care Retirement Communities (CCRCs), and
- Nursing homes.

INFORMAL CUSTODIAL CARE

Informal care is typically provided by a,

- Spouse
- Partner
- Family member and/or
- Friends

Informal care is typically unpaid, though it frequently comes at a cost to the caregiver in the way of,

- Time off from work
- Unpaid leave
- Lost or delayed promotions
- Resignations from work
- Moving to a new home
- Being away from loved ones
- Loss of sleep
- The demands of near constant attention



The Impact of Needing Extended Care

We can't emphasize this enough. The need for long-term care not only changes the life of the person needing care, but the lives of all the others who care about that person. Loved ones will have no choice but to provide care if other plans, professional caregivers and financing are not already in place.

Let's take a look at the **personal consequences** of long term care - i.e., the extreme toll the impairment can take on the physical and emotional wellbeing of **loved ones** providing care. For unpaid family members providing care, **life is completely disrupted**.

- Approximately 65 million Americans, or 29% of the U.S. population, provide care for a chronically ill, disabled, or aged family member or friend annually. This marks a significant increase from previous estimates of 53 million caregivers.

Source: [HumanCare NY](#)

- Over 24 million individuals provide unpaid care for older adults, representing a 32% increase from a decade ago.

Source: PRB+1Trualta+1 <https://www.trualta.com/resources/blog/the-hidden-economy-unraveling-the-economic-impact-of-caregiving-in-the-us/>

- Approximately 57% of caregivers have experienced clinically significant levels of stress, anxiety, or depression, underscoring the emotional toll of caregiving responsibilities.

Source: [Our Parents](#)

- Caregiving significantly impacts mental well-being. A staggering 77% of caregivers report poor mental health, and 40% feel their caregiving duties increase their stress. Compared to those without caregiving responsibilities, caregivers are 52% more susceptible to anxiety, depression, and other mental health issues.

Source: <https://www.prnewswire.com/news-releases/guardian-finds-caregivers-face-unprecedented-challenges-impacting-overall-well-being-302020136.html>

- Unpaid family caregivers contribute labor valued at approximately **\$873.5 billion annually**, equating to about **3.2% of the U.S. GDP**. This figure reflects the immense economic contribution of caregivers without direct compensation.

Source: [TheStreet](#)

- Caregivers often bear significant out-of-pocket costs. On average, caregivers spend **26% of their personal income** on caregiving expenses, with one in three dipping into personal savings and 12% taking out loans or borrowing from family or friends to cover costs.

Source: [AARP](#)



The Odds of Needing Care

Many are surprised to learn there is a 56% chance that an individual who reaches age 65 will develop a disability serious enough to require long-term services and supports.¹ As you would expect, the need for care is often influenced by the normal aging process. The chances of developing dementia or Alzheimer’s disease increase with age. So do the risks of suffering a stroke, developing debilitating arthritis, diabetes and osteoporosis – some of the more common conditions that result in the need for long-term care.

As you can imagine, it’s also important to consider family health history and the presence of a chronic illness as this too can raise the risk of needing extended care.

While it can be tough to contemplate these possibilities, we also know the future is uncertain; we can only guess at what will, and will not be. Having a plan, should the unexpected happen, can provide the resources and tools needed to best manage and meet future lifestyle goals. Sometimes people feel that having a plan means the future is set; however, just the opposite can be true. By being prepared, it can help us have options and the independence we all want.

When assessing the possibility of your need for extended care, consider some of these well-established findings.

How gender can influence the need for care

Women generally live longer than men, which means they typically need the most care. On average,



Men need 2.2 years of long-term care²



Women need 3.7 years of long-term care²

1. <https://aspe.hhs.gov/sites/default/files/documents/08b8b7825f7bc12d2c79261fd7641c88/lts-risks-financing-2022.pdf>

2. <https://medicareguide.com/how-much-long-term-care-will-you-need-359712>

Why health status is important to consider

- Having an accident or chronic illness that causes a disability can be a factor in the future need for long-term care.
- A current disability is important to consider. Studies show that, on average, about 8% of people between the ages of 40 and 50 have a disability that could require long-term care services.³
- Having a chronic condition like diabetes and high blood pressure can also increase the odds of needing care.

Why living arrangements are important to consider

- Not surprisingly, living alone can increase the odds of needing paid long-term care services.
- Because women generally live longer than men – on average, by six to eight years - they may find themselves living alone in their later years.

Living a long, independent and active life is always the goal. Having a plan in place, should an unexpected need for extended care arise, can help ensure that goal is met.



3 **Source:** U.S. Administration for Community Living, HHS – “Who Needs Care?” (updated Feb. 4, 2025)acl.gov

“Extended care is not a place or a condition. It is a life-changing event.”

REVIEW

A need for care may begin with an **acute impairment** (sudden event that requires immediate attention) or the slow onset of a **chronic impairment** (conditions like arthritis or Alzheimer’s that require ongoing physical help or supervision).

Depending on the impairment, full or part-time **custodial** (non-skilled) care can be provided formally by professionals, or informally by friends, or family. Custodial care is needed to ensure safety as well as to provide needed services like cooking, cleaning, transportation, and other personal assistance.

Extended care **can be provided in many settings**: at home with formal and informal caregivers or in a variety of facilities that provide daily residential care.

The need for extended care can take an extreme **physical, emotional and financial toll** on loved ones providing care.

Someone turning age 65 has over a 50% chance of needing long-term care in their remaining years.

Gender, health status and living arrangements can all have an influence on the likelihood of needing extended care.



Custodial care is the type of care associated with long-term, or extended care, and can be provided by a formal or informal caregiver.