



**MedAmerica Insurance Company** has the **Strength and Experience** needed to meet your **Long Term Care** needs, both **Today and Tomorrow.**

**FlexCare** is a tax-qualified long term care insurance policy designed to meet federal standards and may qualify you for federal and/or state tax benefits. Please consult with your tax advisor for assistance.

**Administrative Office:** 165 Court Street  
Rochester, New York 14647

## Long Term Care



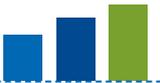
**Why Your Employer**  
Believes it is Important for  
**You and Your Family** to  
Consider the Subject.

The American health care system offers a wide range of care services for those who develop a long term illness or disability. These services often begin with care at home, followed by care in a range of facilities including assisted living facilities and nursing homes.

Long term care services are available in most communities, and the number and variety of care providers is increasing. **The basic issue, however, is often not the availability of care, but rather the cost.** Neither traditional health insurance nor Medicare was designed to pay for most long term care services. And because the need for long term care can last for years, the expenses may present a difficult financial situation that impacts both quality of life and financial security, especially during retirement.

In addition to financial considerations, it is important to recognize that **when one person requires long term care, the entire family is affected.** Several difficult issues must often be dealt with,

*Throughout the United States there is a growing concern about the high costs of long term care and the effect these costs can have on financial security, retirement planning, and quality of family life.*



including the type, location and quality of care needed and the role that family members may be asked to assume in providing or overseeing the care.

Traditionally, long term care has been provided by a family member. However, most of these caregivers are now part of the workforce and as a result, face conflicting demands on their time. In addition, our country has become more mobile and family members often live long distances from each other. These societal changes, together with the escalating cost and complexity of long term care, can create emotional and financial difficulties for everyone involved.

Financial advisors across America agree that investment and retirement planning should include consideration for Long Term Care.

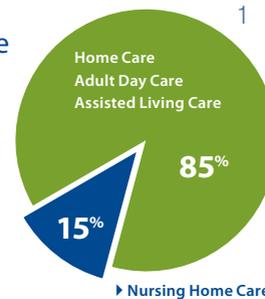


for you &  
your family



### Where are Long Term Care Services Provided?

The majority of long term care services are provided in the individual's **home**, an adult day care center, or an assisted living facility.



### What are the Chances of Needing Long Term Care?

Research indicates that **one in two** Americans will need long term care services.<sup>1</sup>

### How Much Does Long Term Care Cost?

Long term care services are very expensive, and the need for care may last for several years or longer. Home health care varies widely in cost depending on the type and frequency of care received. Assisted living care averages \$36,096 per year, and exceeds \$54,000 per

year in some facilities. Nursing home care averages over \$68,000 for a semi-private room, over \$76,000 for a private room, and easily exceeds \$100,000 per year in some parts of the country.<sup>2</sup> Costs are continually increasing due to inflation.

### People of All Ages Need Long Term Care Services.

Long term care is not just for those who are older. Younger people need these services due to illnesses, physical disabilities, and injuries from automobile and sporting accidents. In fact, **more than 40%** of those receiving long term care services are **under age 65**.<sup>2</sup>

### Who Pays for Long Term Care?

Most long term care expenses are paid with **personal or family assets**. Neither traditional medical insurance nor Medicare pays for most long term care services, and Medicaid does not pay unless the individual qualifies for welfare assistance.



### Long Term Care Insurance Can Help Protect Your Financial Security.

For many people, an individual long term care insurance policy is a wise choice. Millions of Americans have purchased long term care insurance, and many more are acquiring this coverage each year. A FlexCare policy can:

1. Help you **preserve your financial independence** and avoid relying on family or friends for support.
2. Help **protect the savings and investments** you have spent a lifetime accumulating.
3. Help **keep your options open** when long term care is needed. By paying for services in a variety of settings, including care in **your own home**, a FlexCare policy will help you maintain your freedom of choice in determining how and where you receive care.

<sup>1</sup> Phyllis Shelton, Long Term Care, Your Financial Planning Guide, LTCI Publishing, 2007.

<sup>2</sup> National Clearinghouse for Long-Term Care Information, U.S. Dept. of Health and Human Services, September, 2008.