

New Survey Finds One In Four Baby Boomers Erroneously Believe They Have Coverage For Long-Term Care

by Medical-News-Today

One in four Baby Boomers erroneously believe they have coverage for long-term care expenses, according to new survey data released by America's Health Insurance Plans (AHIP). The survey found that many Baby Boomers have misconceptions about who pays for long-term care services and have not thought about long-term care insurance. "This should be a wake-up call to Baby Boomers. They aren't factoring expenses for long-term care into their retirement planning and are missing an opportunity to protect themselves," said Karen Ignagni, President and CEO of AHIP. The data are preliminary findings from ongoing survey and focus group research examining Baby Boomers' awareness of long-term care insurance, conducted for AHIP by StrategyOne. Specifically, the survey found: - Most Baby Boomers have not focused on planning for long-term care expenses. The new survey shows that even among Baby Boomers nearing or at the age of 60 - when concerns about the potential impact of long-term care on retirement savings might be most prominent in their minds - only one in four say they are "very familiar" with long-term care insurance. In addition, 41 percent say they have not had any discussions about long-term care in the past twelve months. - Many Baby Boomers erroneously believe they have coverage for long-term care expenses. The survey found that 30 percent of Baby Boomers think they have long-term care coverage, but according to the National Association of Insurance Commissioners, only about 5.2 million Americans have long-term care insurance. Even if all those covered were Baby Boomers, which they are not, that would only account for 6.6 percent of the Baby Boomer population. This means that one in four (25 percent) Baby Boomers erroneously think they are covered for long-term care expenses. - Majorities or near-majorities of Baby Boomers think Medicare or "other health insurance" will pay for long-term care. The new survey shows 54 percent of Baby Boomers think Medicare will pay for long-term care services. Forty-four percent believe "other health insurance" will pay. Even half of those who say they have long-term care insurance believe Medicare will pay for the care. Medicare does not, in fact, cover long-term care indefinitely. Medicaid will cover these services, but only after requiring individuals to spend down nearly all of their assets to qualify for assistance. "Baby Boomers believe they have more coverage than they actually do, giving them a false feeling of financial preparedness to handle long-term care costs," said Robert Moran, Senior Vice President of StrategyOne. The release of the data coincides with the start of Long-Term Care Awareness Week, a national effort to promote the value of long-term care insurance and highlight its importance as a key aspect of financial planning and health security. To enhance these efforts, AHIP is urging grassroots action to educate consumers and policymakers about the importance of long-term care coverage. The Long-Term Care Champions Network is a national grassroots organization comprised of more than 5,000 members, including policyholders, their family members, caregivers, health care professionals, agents and concerned citizens with an interest in long-term care issues. Throughout the week, LTC Champions are encouraged to recruit family members, caregivers, and/or clients to join the network; contact their Member of Congress and urge them to support legislation that would make long-term care insurance more accessible and affordable, including legislation to allow employers to offer long-term care insurance through a cafeteria plan or flexible spending arrangement; and to write and submit a letter-to-the editor to their local paper to share how long-term care coverage is working for them.

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