



LONG TERM CARE STATISTICS

Generally Speaking:

There are currently 36 million Americans over the age of 65. In the next 15 years with the aging of the Baby Boomer generation, that number will rise to over 77 million.

According to the American Society on Aging, of those reaching traditional retirement age (65), over 70% will need long-term care at some point in their lives.

Average age of claim is currently 80 years old.

On average, 40% of nursing home residents are under the age of 65.

Battle of the Sexes:

Women have 10 times the chance of reaching age 85 than men do.

Men are twice as likely to experience a "quick" death than women, i.e. accident, homicide, suicide.

On average, women end their lives in a disabled state by the following number of years:

2.8 years if they live past 65

2.9 years if they live past 75

3.0 years if they live past 80

The average dollar amount of claim for women is \$100,000; the average dollar amount for men is only \$68,000.

Women currently outpace men as far as purchasing LTC insurance. 52% of purchasers are women.

What's Love Got to Do With It:

The average age of claim changes based on whether or not the claimant is married:

Married women~75.....Single women~85

Married men~85.....Single men~75

Home is Where the Heart Is:

75% of LTC claims start at home. 90% of those that started at home stayed there until the end.

Most LTC policies sold today have the same amount of coverage at home as they do in the facility.

Scientists have found that institutionalized dementia patients are 2 to 3 times as likely to die soon after institutionalization than patients cared for at home.

Money, Money, Money:

Nationally, the average cost for private room in a nursing home was \$190.20 per day in 2006.

Nationally, the average monthly cost for a private room in an Assisted Living Facility was \$2691.20 in 2006.

Across all home care provider types, the average hourly rate for home health aides was \$25.32 in 2006.

To Insure or Not To Insure:

Currently only 10% of the eligible American population owns Long Term Care Insurance.

Exhaustion of benefits generally happens at about 3-4 years. The average LTC claim is about 4 years.

Genworth states that 45% of claims are less than one year.

Less than 10% of claimants exhaust benefits.

Policyholders with less than lifetime coverage tend to delay claim to be conservative with coverage.

No matter what the age, benefit, or premium amount, if a person includes automatic inflation protection on their policy, they will ALMOST ALWAYS recover every penny in less than 6 months of claim regardless of how long they paid premiums.

Is Age Really Just a Number?

The average age of the buyer of a LTC policy was 55 in 2006.

Of applicants in their 40s and 50s, about half are eligible for a good health discount. However, of applicants in their 70s only 18.8% are eligible for those discounts.

Of applicants under 50, only 7.2% are declined. However, of applicants in their 70s, almost half are declined.

In 2006, 52% of the purchasers of group LTC insurance were under the age of 45.

Claims:

About 24% of claims are for dementia. There is no difference between men and women, single or married.

Cancer is the second leading driver of claims, though it is the most recoverable claim.

Unum states that 58% of their claimants are under age 65.

The top 5 causes of claim (in order of occurrence) for claimants under age 65 are: cancer, stroke, neurological disease, dementia, and multiple sclerosis.