

Unlimited Long Term Care Insurance Policy Benefit Changes Explained

By: Darol Tuttle

<http://tacomavaattorney.com/>

Long term care insurance companies are modifying the benefits their policies pay after experiencing the high cost of unlimited benefits after a short-term contract. Many companies have nearly gone bankrupt from a single payout on a single claim. Now LTC insurance providers have made changes that you should know about before signing up for a policy.

- Many long term care insurance companies will no longer sell policies offering consumers unlimited or lifetime benefits.
- The cost of policies is on the rise. Between 40-and-60 percent of every dollar paid to a LTC insurance company goes to pay future claims. The rest is invested. As investment returns have dropped, so does the profit margin for the insurance company leaving the consumer with a larger share to pay.
- The policies cover more services today than when they were first designed, making them more expensive for the consumer and insurer.
- Consumers can pay for longer periods of benefits today if they are willing to pay for it. Couples can individually purchase a policy providing 10-years of benefits and add a shared care option which effectively yields a 20-year plan of protection.

When policies run out or families discover that a loved one let a policy lapse, alternative means for funding long term care are needed. Experienced Tacoma elder law attorney Darol Tuttle understands the nuances of planning for long-term care. He can help you make a thorough plan to give you peace of mind.