



## The Star-Ledger

### Ask the Biz Brain

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Having seen my mom spend some time in several nursing homes, I've become convinced to purchase long-term care insurance. I'm 55 and expect to live well into my 90s. When is the best age to start this insurance?

-- MeilingSmart to consider long-term care insurance now. Here's why:

A 2006 Genworth Financial Cost of Care Survey found a 55-year-old New Jersey resident is expected to pay more than \$300,000 for one year of nursing home care when he is likely to need it at the age of 80. Based on the average nursing home stay, total costs are expected to reach \$1.3 million per person easily wiping out a lifetime of savings for many families.

Aaron Skloff, CEO of Skloff Financial Group in Berkeley Heights, says if your investable assets (cash, stocks, bonds and mutual funds; not your home) are greater than \$3 million in today's dollars, you may want to consider self-insuring.

"In essence, you are gambling that you will remain healthy long enough to pay for LTC out of your own pocket," he said.

He said although the average purchaser of LTC insurance is 61, buying in your 50s reduces the likelihood that you will be denied coverage. The insurance companies will often times deny applicants that have been diagnosed with a stroke, Alzheimer's disease or even memory loss -- all more common as we grow older, he said.

"At this age, mother nature has generally not taken her natural toll on your health," Skloff said.

Darin Pope, a CFP with United Atlantic Advisors in Secaucus, said you need to consider the likelihood that you will enter a nursing home someday, the actual cost of care, and finally, the assets you have. If you want to pass your assets to your heirs someday, you might prefer buying a policy than spending your savings on care.

-- Karin Price Mueller

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