



# Long-Term Care: A Valuable Benefit Program Helping Plan for the Future

## Review Your Benefit Options Today

Did you know that there is a valuable benefit program available to CalPERS members to help with your healthcare cost retirement planning? Long-term care coverage can be a valuable tool in your financial and retirement planning.

The CalPERS Long-Term Care Program is available to eligible CalPERS members and their children and siblings between the ages of 18 and 79, parents, parents-in-law, spouses, and many additional relatives (even if the member does not have coverage).

The program can provide benefits of over \$1,000,000 to those who qualify for the program.

## What Is Long-Term Care Coverage?

Long-term care coverage provides reimbursement for specified care services that may be incurred due to accidents, illnesses, major operations, aging, and other physiological problems.

Covered long-term care services include help with certain basic activities of daily living which are transferring, toileting, bathing, dressing, eating, and continence. It may also provide coverage for those who are diagnosed with a cognitive impairment such as Alzheimer's disease or dementia. These services can be provided at home by a home health care agency or an independent provider. The services can also be received in a facility such as an assisted living facility or a skilled nursing facility.

## Protection for All Ages with Coverage for Costly Care

The need for such services has steadily increased through the years, and unfortunately so has the cost. According to a recent study, 70% of people age 65 and older will require long-term care services at some point in their lives<sup>1</sup>. But long-term care concerns are not just for senior citizens. Anyone at any age can develop a condition or undergo an unexpected life event that requires long-term care services.

In fact, nearly 41 percent of long-term care is provided to people under age 65<sup>2</sup>.

Long-term care services can be very expensive. The average cost for residence in a California nursing facility is around \$260 per day, or nearly \$100,000 per year, and is generally not covered by health insurance, disability insurance, Medicare or Medicare supplemental insurance. Even part-time care at home can run several thousand dollars per month.

## Long-Term Care Myths vs. Facts

**MYTH:** *My long-term care expenses will be covered by Medicare.*

**FACT:** Long-term care is different from health insurance, Medi-Cal, Medicare, or Medicare supplemental policies, all of which cover very limited long-term care services.

**MYTH:** *If I need care, it won't be for very long.*

**FACT:** An analysis of historical data shows that, on average, CalPERS Long-Term Care participants spent 3.4 years in claim. Factoring in the average daily cost of residential care at \$260, this could total more than \$322,000 for a claim lasting 3.4 years.

To learn more about the CalPERS Long-Term Care Program, check out the resources available on [www.calperslongtermcare.com](http://www.calperslongtermcare.com)

1. Who Needs Care?  
<https://longtermcare.acl.gov/the-basics/who-needs-care.html>

2. Georgetown University, "Long-Term Care Financing: Options for the Future,"  
<https://hpi.georgetown.edu/lc/papers.html>