

Dear Investor, Happy May!!

What is Long-Term Care?

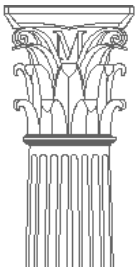
Long-term care is a variety of services that includes medical and non-medical care to people who have chronic illness or disability. Long-term care helps meet health or personal needs. Most long-term care is to assist people with support services such as activities of daily living like dressing, bathing, and using the bathroom. Long-term care can be provided at home, in a community, in assistant living facilities, or in nursing homes. The most important thing to realize is that long-term care can be needed at any age, not only when you are older. Yesterday's image of long-term care no longer exists. We tend to believe that it is something that people need when they are old, but old is subjective. It is true that most people will need long-term care as a result of getting older. The matter of fact is that young people have accidents- skiing, riding motorcycles, car accidents, all of these come in mind. Surgery will fix some of the injury that was incurred, but you will need long-term care for months of recover and your health insurance does not cover any of that. Also, younger people get illnesses in their 40s and 50s like MS and Parkinson's disease that can require years of care. Waiting too late can hinder you from qualifying for long-term care or it may be too costly by that time.

According to Centers for Medicare and Medicaid Services, the need for long-term care will affect approximately 50% of all Americans. Women seem to be affected by long-term care more specifically than men. Not only are women the primary nonpaid caretakers, they also eventually become the cared-for since they tend to outlive their husbands. Knowing this, women need to take a second look on your future planning. Long-term care insurance should be treated like any other investment. It is designed to protect your assets, allow independence, and provide freedom of choice. It is important for you to plan early so that the high cost of long-term care does not call for your other assets.

Knowing the Statistics:

These are some statistics you should consider when deciding whether or not long-term care is necessary or whether or not your coverage will support your needs.

- Women live about five years longer than men and have 10 times the chance of reaching age 85.
- Women who live past age 65 have a 50% greater chance of entering a nursing home than men and are twice as likely to be living alone.
- Approximately 75% of unpaid caregivers for older family members and friends are female.
- The average age of a female caregiver is 57; however, 25% of female caregivers are between the ages of 65 and 74, and 10% are over age 75.



- Women who provide care for a disabled or ill spouse are six times more likely to suffer symptoms of depression and have doubt the risk of coronary heart disease if giving care more than nine hours per week.
- When balancing work with care giving, women face an average loss of \$565,000 in lifetime earnings, plus loss of social security and pension benefits.

How Do You Plan?

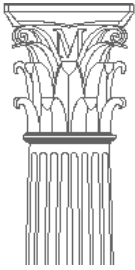
Knowing some of these statistics, it is especially important for women to consider long-term care in regard to themselves and their spouses. To help you relieve some care responsibilities, you do not need to be the sole caregiver of your husband and risking your health. If you plan for Long Term Care protection for your husband, you may benefit from this investment so you will have funds to help take care of him and assistance to support your husband. Since you will be doing less of the care, your own health and well-being may be preserved, resulting in better overall care. Through proper planning, when the time comes where you need care, financial help will be readily available as well as the ability to preserve assets as they are passed along to your children and charitable organizations. With this, you won't burden your family members with your long-term needs.

When you properly plan, both you and your Wealth Advisor will be able to create the plan that best fits your needs. There are many ways long-term care can be funded: from traditional long-term care insurance to asset-based protection through fixed life insurance or fixed annuity contracts. Most individuals purchase a stand-alone long-term care policy, but some do not because of the "use-it-or-lose-it" policy.

Are There Other Solutions?

YES! There are alternatives that may be more attractive to you! Asset-based long-term care through a fixed life insurance or fixed annuity policy may allow you to purchase a product with dual purposes, to further help meet your goals.

Some fixed life insurance policies allow you to collect the death benefit as a monthly tax-free payout to help pay for long-term care bills. This product may be a good choice if you are looking to leave a legacy and have long-term care concerns. The benefit for this set-up is that if you need the assets for long-term care, it is there for you; if long-term care is never needed, or not all the funds are used, your beneficiary will collect the remaining death benefit. Some fixed annuity contracts also offer these opportunities, but they work differently. When the claim is filed for annuities, the contract value is either doubled or tripled on the base payout, or the guaranteed payout is doubled, depending on the contract and the



company. You would want to consult with your Wealth Advisor to see what strategy is best for particular situation.

Won't Medicare Cover My Long-Term Care Needs?

Generally, Medicare does not pay for long-term care. What Medicare will pay for is for medically necessary skilled nursing facilities or home health care. For Medicare to pay for these needs, you must meet certain conditions. Traditionally, long-term care is used to assist you with daily activities like walking, bathing, and assistance with the bathroom. Medicare does not pay for this, it's called "custodial care".

How About Medicaid?

Medicaid is a State and Federal Government program that pays for certain health services and nursing home care for older people with low income and limited assets. Depending on the state that you reside in, Medicaid may cover some long-term care services at home or in a community. To be eligible for Medicaid assistance, you must qualify based on your income and personal resources.

How Do I Know What is Right for Me?

You should consult with your Wealth Advisor to find the best fit to compliment your current financial plan. We are able to supply you with several quotes too and help pick the right one for you. Fill out the [QUESTIONNAIRE](#) and send it back to us and we will contact you to make sure all your needs are met.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jadine Wong'.

Jadine Wong
Chairman & CEO

A handwritten signature in black ink, appearing to read 'Matthew Hodgen'.

Matthew Hodgen
Vice-Chairman & COO

And The Macian Wealth Management Team

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