



Learning about long-term care options is easier than you think.

A guide for AARP members.



Long-Term Care
Options from



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Toward a more secure future

Congratulations! By requesting this guide for AARP members, you've taken an important first step toward long-term peace of mind. The information it contains can help you begin to understand your options and start preparing for the future.

You've worked hard to save for retirement and for a secure future for you and your family. But even the most detailed financial strategy may not be enough to prepare you for the high cost of long-term care. A need for this care could affect both your family and your finances. Addressing it now may help you maintain your lifestyle and minimize the impact on those you love and your assets.

If you're just starting your journey to learn about long-term care, we're here to help provide everything you need to know to make the best decision. As part of AARP Long-Term Care Options from New York Life,¹ our specially-trained agents are available to answer your questions and help you understand your coverage choices.

¹ Products issued by New York Life Insurance Company and New York Life Insurance and Annuity Corporation.

Understanding long-term care

What is long-term care?

Long-term care is the help you may need if you're unable to perform basic everyday tasks on your own, such as eating and bathing. As you age, you may start to consider how you would address a possible long-term care event. There are many factors to consider when deciding which path to help protect your future will work best for you.

Where is care provided?

Care can be provided in a variety of settings. Depending on the amount of care needed, it may be provided on a part-time basis by a family member or home health worker.



Home care



Assisted living facility



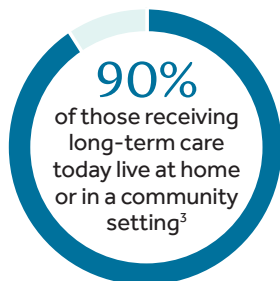
Nursing home



Adult day care



Most Americans turning 65 today can expect to use some form of long-term care during their lives²



² US Department of Health and Human Services, www.longtermcare.gov, 2021.

³ Edem Hado and Harriet Komisar, "Long-Term Services and Supports." AARP Public Policy Institute. August 2019.



How much does care cost?

The cost of care depends on where you live and the type of care needed. It's common for a person to use a combination of different services to meet their needs over time. And since few people know their long-term care needs in advance, it makes sense to consider the cost of care now to help protect your assets.



\$20.50 per hour
Home Health Aid



\$43,536 per year
Assisted-Living Facility



\$92,376 per year
Skilled Nursing Home

US Department of Health and Human Services, 2020.

Prepare for long-term care now

Protect your ability to choose and ensure you have options.

Thinking ahead may allow you to maintain more control over how and where you receive care. It could give you the option to get care in a variety of settings, including in the comfort of your own home. And it can help provide the resources and flexibility to choose the best care possible.

Protect your finances.

Addressing long-term care needs now may help you avoid depleting your assets. It could free up money you'd otherwise need to set aside as a 'just in case' fund to be used for living costs or travel, entertainment, and other retirement expenses.

Protect your family.

Covering yourself may alleviate some of the stress on family members if they are confronted with issues of caregiving. And it may help protect them from bearing the financial responsibility of funding your care.

Protect your ability to get coverage.

You never know when you might need long-term care. And if you wait to apply for coverage, you may not qualify due to your health. It's best to buy when you are younger, healthier, and more likely to be approved.





How will I pay for care?

An unexpected need for long-term care services can disrupt even the best-laid financial strategies. And many don't realize that these services are generally not covered by health insurance or government programs — until they or a loved one need care.

Long-term care coverage can help protect your savings and the burden on your family.

A variety of options are available, including long-term care insurance and life insurance that allows you to use part of the death benefit in advance to help pay for care over an extended period of time.

Being prepared can also ease the significant impact care has on your family ... and the physical, emotional and financial toll it takes.



Percentage of caregivers who work while also caregiving:

61%¹



Percentage of caregivers who have experienced at least one financial impact as a result of caregiving:

45%¹



78% of family caregivers incur out-of-pocket expenses as a result of caregiving, spending an average of:

\$7,000 per year²

¹ "Caregiving in the U.S.," AARP National Alliance for Caregiving, May 2020.

² Lynn Friss Feinberg, "Breaking New Ground: Supporting Employed Family Caregivers with Workplace Leave Policies," AARP Public Policy Institute, September 4, 2018.

Medicare doesn't cover extended care.

Medicare may cover only a maximum of 100 days of services per benefit period after a hospital stay.³

Medicaid requires that assets be depleted first.

This is the maximum amount of countable assets applicants may have in their name in order to qualify for Medicaid:⁷

For individuals:

 **\$2,000**

For married couples:

 **\$3,000**

Self-funding is expensive.

With the high cost of care, savings and assets can be depleted quickly, leaving little for a spouse to live on or family members to inherit.



³ U.S. Department of Health and Human Services, 2020.



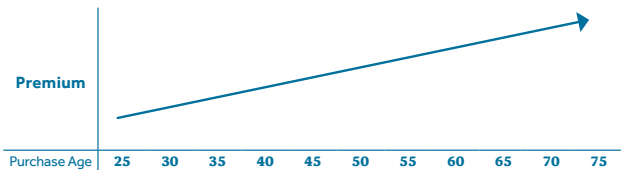
The long-term care coverage option

You have many options when it comes to funding long-term care. Long-term care insurance is one of them.

When considering this option, keep in mind that policies are underwritten and you must health-qualify. That's why it makes sense to apply for coverage sooner rather than later.

What is the cost of waiting?

Generally, long-term care premiums are lower if coverage is purchased at a younger age. You can potentially save a significant amount of money on premiums over the life of the policy by not waiting.



Consider This **\$172,000**
average lifetime cost of long-term care¹

¹ PwC, Formal cost of long-term care services: How can society meet a growing need?, 2018.



A personalized approach

When preparing for the future, you aren't limited to one type of protection or the other. You may find that a combination of coverage choices is the best option. And a little coverage can be better than none.

Whether you want to make smaller, monthly payments or prefer to pay one lump sum, we have flexible coverage options to fit your budget. Your New York Life agent can help by providing customized recommendations based on your personal situation.

That could include:

- long-term care insurance
- annuities
- chronic care insurance riders
- hybrid insurance policies
- investments

The value of your New York Life agent.

When you work with a New York Life agent, you are working with a highly trained professional in the insurance industry. They can help you take advantage of all the resources, experience, and world-class products our Fortune 100 company has to offer.¹

Our agents understand the needs and concerns of AARP members. You can trust them to find the right option to protect you and your family from the future cost of chronic illnesses and injuries requiring extended periods of care.

¹ Fortune, New York Life Insurance Company, Fortune 500, #67, 2021.

Choosing New York Life

Here for you.

Your coverage is only as good as the company behind it. And with New York Life, you'll have peace of mind knowing that your provider will be around when your family needs it most.

Since 1845, we've been backing up our promises with strong financial performance. Our disciplined and thoughtful approach has put our policyowners' financial security ahead of profits for more than 175 years.

New York Life has the highest possible ratings for financial strength currently awarded to U.S. life insurers by the leading independent rating services:

A++

Highest Rating

A.M. Best

AAA

Highest Rating

Fitch

Aaa

Highest Rating

**Moody's
Investors Service**

AA+

Second-Highest Rating

Standard & Poor's

Individual Third-Party Ratings as of 6/22/2022. This report indicates the overall financial status of companies at a particular date and is not a recommendation of any specific policy provisions, rates, or services, New York Life, What the rating agencies say, 2022.



Let's get started.

Now that you know the basics, talk to your New York Life agent about all your available options. Once you decide which best meets your family's needs, you'll enjoy the peace of mind that comes with it.

The purpose of this material is solicitation of individual insurance. An insurance agent may contact you. Policy forms [ICC18-LTCD PLCY (0218), LTCD PLCY (0218), LTCD-U PLCY (0218), ICC14-LTC6, LTC6, LTC6-U], and any state-specific, are issued by New York Life Insurance Company, New York, NY. Policy forms [ICC20-AF-MP, ICC20-AF-SP, AF-MP, AF-SP, 316-60P & 316-284R, 316-150P & 316-283R and any state-specifics,] are issued by New York Life Insurance and Annuity Corporation, Newark, DE, a wholly owned subsidiary of New York Life Insurance Company. The policies have exclusions and limitations. Underwriting approval is required to purchase coverage and a medical exam may be required. The company reserves the right to increase premiums in the future. For cost and complete details of the coverage, contact your agent or the company. New York Life Insurance Company and New York Life Insurance and Annuity Corporation have the sole financial responsibility for its own products. The information you provide NYL will only be shared with AARP and/or our third-party marketing vendors. To request that your information not be shared, call 1-800-481-0558.

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Find out more about the long-term care options available to you.

Questions?
Call New York Life at
1-800-604-6169
or visit us at
ltnextsteps.com.



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