



Northwestern Long Term Care Insurance Company

A Northwestern Mutual Company

IMPORTANT INFORMATION ABOUT LONG-TERM CARE

- People reaching age 65 have an average life expectancy of an additional 18.5 years (19.8 years for females and 16.8 years for males).¹
- The population 65 and over will increase from 35 million in 2000 to 40 million in 2010 (a 15% increase) and then to 55 million in 2020 (a 36% increase for that decade).¹
- About 60 percent of individuals over age 65 will require at least some type of long-term care services during their lifetime.²
- Medicare, the federal health insurance program for those age 65+, paid only 13% of U.S. long-term care bills in 2002. Many think Medicare pays for all long-term care needs for the elderly; in fact, its nursing home coverage is limited mainly to short-term patients recovering from hospital stays.³
 - A nursing home costs between \$60,000 and \$80,000 per year (national average for a private room is approximately \$70,000/year).⁴
 - From 1990 to 1995, nursing-home costs rose 6.25% a year; a government study forecasts that home-health and nursing-home costs will rise 5.8% a year through 2010.⁵
- Most but not all persons in need of long-term care are elderly. Approximately 63% are persons aged 65 and older (6.3 million); the remaining 37% are 64 years of age and younger (3.7 million).⁶
- Nearly three in ten (28%) adults saying they are “very” worried that they won’t be able to pay for nursing home and home care services. Nearly one-third (32%) of people without long term care insurance say it’s just not something they’ve ever thought about.⁷
- 44.4 million caregivers (or one out of every five households) are involved in caregiving to persons aged 18 or over.⁸
- Estimated public and private spending on long-term care services exceeded \$180 billion in 2002. \$37.2 billion, or 21%, was paid for out-of-pocket by individuals and families.⁹

¹ Fowles, D., Greenberg, S. “A Profile of Older Americans: 2005” Administration on Aging, U.S. Department of Health and Human Services. 2005 edition.

² “Own Your Future”, Administration on Aging, U.S. Department of Health and Human Services. December 2002

³ Greene, Kelly. “Medicaid Maneuvers-Getting Uncle Sam to pay for long-term care has more drawbacks than you think,” *The Wall Street Journal*, February 23, 2004.

⁴ Health Care and the 2004 Election: Long-Term Care 2004, Kaiser Family Foundation, June 2005

⁵ Dykes, J.S., “The Outlook for Long-Term Care Insurance,” *Kiplinger’s Retirement Report*, April 2003.

⁶ “Caregiving in the U.S.”, National Alliance for Caregiving and AARP. Washington, DC: Author, 2004.

⁷ “National Survey on the Public’s Views About Medicaid” Kaiser Family Foundation, June 2005

⁸ “Caregiving in the U.S.”, National Alliance for Caregiving and AARP. Washington, DC: Author, 2004

⁹ Komisar, H., Thompson, L. “Who Pays for Long-Term Care? Fact Sheet”, Long-Term Care Financing Project. Washington, DC: Georgetown University Press, 2004.

Northwestern Long Term Care Insurance Company’s LTC insurance policy contains exclusions and limitations.
This purpose of this piece is for the marketing and solicitation of insurance.