The conversation nobody wants *but everyone needs*.

About **70% of people who reach 65 will need some form of long-term care** — anything from a few hours of help a day to several years in a memory-care facility. Medicare doesn't pay for it. Health insurance doesn't pay for it. There are three honest ways to fund it, and the right one depends on your balance sheet.

1 WHAT IT ACTUALLY COSTS (OHIO, 2026 FIGURES)

TYPE OF CARE	NATIONAL MEDIAN	OHIO MEDIAN	30-DAY MONTH
Home health aide (44 hrs/wk)	$77,800 /yr	$66,500 /yr	**$5,540 /mo**
Adult day services	$26,800 /yr	$22,500 /yr	**$1,875 /mo**
Assisted living facility	$66,000 /yr	$58,200 /yr	**$4,850 /mo**
Nursing home, semi-private room	$104,000 /yr	$92,400 /yr	**$7,700 /mo**
Nursing home, private room	$116,800 /yr	$104,500 /yr	**$8,710 /mo**

Average length of a care need is around 3 years. Long care (5+ years) is the tail risk: about 1 in 7 people. Plan for the average, insure or self-insure for the tail.

2 THE THREE HONEST PATHS

There is no single best answer. The right path depends on your liquid net worth, your family situation, and how you feel about the trade-off between paying premiums now vs. paying for care later.

PATH A
Self-insure

Carve out a dedicated slice of the portfolio. No premium. Full flexibility. If you don't need it, it passes to heirs.

Annual cost	**$0 in premium**
Reserve needed	**$500K–$1M**
Flexibility	**Highest**
Tax efficiency	**Moderate**

FITS IF

$2.5M+ liquid net worth · partnered · long-lived family or comfortable with the tail risk

PATH B
Hybrid life/LTC

A life insurance policy with a long-term-care rider. Pay a lump-sum or 10-year premium. Use it for care; if you don't, your heirs get the death benefit.

Annual cost (age 60)	**$8K–$15K**
Premium	**Locked, can't increase**
If never used	**Death benefit to heirs**
Flexibility	**Moderate**

FITS IF

$1M–$3M net worth · want certainty · concerned about premium increases · want to leave a legacy if no care needed

PATH C
Traditional LTC

A pure long-term-care policy. Lower premium per dollar of coverage, but use-it-or-lose-it. Premiums can rise.

Annual cost (age 60)	**$2K–$5K**
Premium	**May rise over time**
If never used	**No refund (some return-of-premium options exist)**
Flexibility	**Lower**

FITS IF

$500K–$1.5M net worth · strong family history of needing care · stretched on premium budget

3 WHEN TO DECIDE

- **The sweet spot is your late 50s to early 60s.** Premiums climb steeply each year you wait, and underwriting tightens.
- **Health changes the math overnight.** A new diagnosis can make you uninsurable for LTC even when you're otherwise fine.
- **Married couples should look at this together.** Spousal discounts are real, and a single-spouse claim affects both balance sheets.
- **If you're past 70 with no policy, self-insurance is usually the answer.** The premium curve makes new policies impractical.

4 OUR HONEST TAKE

We don't have a religion here. For most clients we serve — somewhere between $1M and $3M of investable assets at retirement — **hybrid life/LTC is the path we lean toward.** It removes the "I paid in for 20 years and never used it" objection, locks the premium, and the underwriting is more forgiving than traditional LTC.

For clients well north of $3M liquid, the math usually favors self-insuring with a carve-out — typically **$300,000–$500,000 set aside in a tax-efficient pocket of the portfolio**, mentally labeled "the care reserve." It pays for care if needed; it stays in the family if not.

For clients with strong family history of care needs and a tighter budget, traditional LTC still has a role. But go in with eyes open about premium increases.

> **What we won't recommend:** waiting to see how you feel about it. Every year you wait costs about **4–6% in premium**, and a single doctor's visit can take the option away entirely.

5 IF YOU ALREADY HAVE A POLICY

- **Pull the most recent policy statement.** Note the daily/monthly benefit, the benefit period, and whether inflation protection is included.
- **Find the trigger language.** Most modern policies trigger when you can't perform 2 of 6 "activities of daily living" or have cognitive impairment.
- **Confirm the elimination period.** Usually 90 days — that's the gap you cover from cash flow.
- **Tell us before any premium notice arrives.** If a carrier proposes a rate hike, you'll have options (reduce benefit, shorten period, accept the hike). We help you evaluate.

> **A NOTE FROM MPM**
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> The hardest part of this conversation isn't the numbers — it's imagining yourself needing the care. Most clients tell us they regret not having the conversation sooner, even if they ended up choosing to self-insure. The decision itself takes the worry off the table.

Sources: U.S. Department of Health & Human Services, AdministrationForCommunityLiving.gov, "How Much Care Will You Need?"; Genworth Cost of Care Survey (2024 figures, updated to 2026 dollars); American Association for Long-Term Care Insurance pricing surveys; Ohio Department of Aging; Society of Actuaries LTC industry data. Care costs vary by region and facility — figures shown are medians.