

Bridging the family conversation gap

How to speak with loved ones about long-term care (LTC)

Insights from The Nationwide Retirement Institute[®] 2021 Long-Term Care Consumer Survey of U.S. adults ages 25+ with investable assets of \$50K+

Today, about one out of every three 65-year-olds can expect to live past age 90, and about one out of seven will live past age 95.¹

A longer life span means more time to spend with family and friends or to pursue a passion. But it also means that more of us will need to provide and receive long-term care. In fact, a 65-year-old person has a 70 percent chance of needing some form of long-term care in their lifetime.²

For most of us, it's hard to talk about the potential implications



of aging, like falling ill or relying on others for care. It's equally as hard to plan for long-term care, whether our own, a spouse's or a parent's. According to the 2021 Nationwide Retirement Institute[®] Long-term Care Survey, nearly half of adults (45%) have not had discussions about potential long-term care costs with anyone.³

The sooner that parents, spouses and children broach the topic, the sooner they can put plans in place that meet their collective financial and emotional needs.

Here are five ways to get the conversation started.

¹ Social Security Administration [website](#), Benefits Planner | Life Expectancy.

² acl.gov/ltc/basic-needs/how-much-care-will-you-need (February 18, 2020).

³ 2021 Nationwide Retirement Institute[®] Long-Term Care Costs in Retirement Consumer Survey.



1. Lead with open-ended questions

Break the ice with exploratory questions about aging and retirement.

Children and spouses might ask:

- What are your goals for different stages of retirement?
For the first 10 years? From 10 to 20 years? Beyond?
- What lessons did you learn from watching your parents age?
What would you like to replicate or do differently?

Parents might ask their children about their life plans:

- Where do you plan to live, work, etc.?
- What lessons did you learn from watching your grandparents age?

2. Uncover care preferences



Children and spouses:

Gently broach the subject of long-term care options by asking where a parent/spouse wants to live after they are no longer able to take care of themselves. Ask:

- Do you expect to stay at home, or would you prefer to move into an assisted living facility? According to the 2021 Nationwide long-term care survey, 85% of adults believe it's more important than ever for people to stay at their home for long-term care. Roughly one-fifth of adults would like to receive long-term care in an assisted living facility, and two in 10 expect to receive care in an assisted living facility.⁴

If a family member prefers to receive home care, discuss what that requires:

- Would you like to relocate to one floor of a larger home and rent out the additional space? Would you like to share your home with friends or family? Would you like to live independently with the help of a caregiver?

If a family member prefers to age in an assisted living facility, ask:

- Are you interested in stopping by a few facilities to see how they operate?

Parents:

Have a candid conversation with your child or spouse, asking:

- Would you be able to provide care, either on a paid or unpaid basis?
- Would you be able to help coordinate outside care?

⁴ 2021 Nationwide Retirement Institute® Long-Term Care Costs in Retirement Consumer Survey.

According to 2021 Nationwide research, three-quarters of caregivers say they choose to take on the role. Currently two in 10 adults are currently caregivers, with the millennial audience (33%) presently taking on that role.⁵



3. Be realistic about the requirements of preferred long-term care

After you've discussed preferences, it's critical to understand the logistics associated with aging in place versus aging in an assisted living facility.

If the plan is to age in place, children and spouses should ask:

- Are you expecting a family member or friend to be your caregiver?
- Are you expecting a professional caregiver to visit your home? Live in your home?
- Based on your health needs, are there home renovations to consider, such as wheelchair accessibility, a chair for riding up and down the stairs, or safety bars for the bathtub/shower?

Parents should ask:

- What financial and lifestyle plans do we need to put in place today to make home care viable in the future?

If a parent or spouse plans to age in an assisted living facility, make sure to consider the following after visiting different options in the area:

- Total cost for the resident (costs will differ depending on both their physical and mental capability)
- Age/ability of the other residents
- Staff engagement with residents
- Available activities for residents

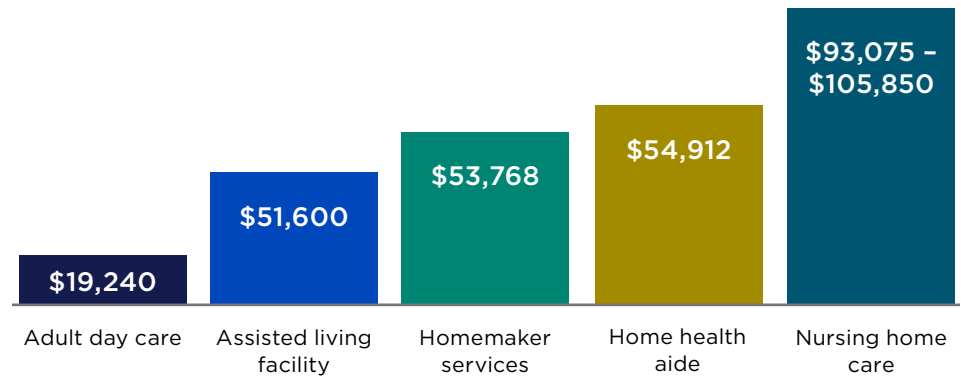
⁵ 2021 Nationwide Retirement Institute® Long-Term Care Costs in Retirement Consumer Survey.



4. Be realistic about the cost of preferred long-term care

Less than half of retirees (41%) feel knowledgeable about LTC or caregiving costs.⁶ Annual median costs are listed below:

On average, a long-term care claim lasts 3.9 years. Here are the current annual median costs of long-term care:⁷



It's important to have a realistic conversation with your family about the cost of long-term care. Children and spouses should ask:

- What resources do we have that could pay for long-term care?
- Are you clear about what kind of long-term care Medicare covers? For example, Medicare does not cover long-term “custodial” care at nursing homes. Learn more from the [Nationwide® Medicare for Your Long-Term Needs infographic](#).
- Should we explore insurance options together?
- Which type of insurance will work best for our family?

A cash indemnity policy, which gives the person receiving care a monthly cash benefit to use with no restrictions from the insurance company. These policies allow insureds to use long-term care benefits to pay a family member or friend to provide care.

A reimbursement plan, which pays only for qualifying long-term care costs covered by the policy up to the benefit limit. All bills and receipts must be submitted each month.

- Based on your financial plan, can you afford your preferred form of care?
- If you can't afford your preferred form of care, what is the next best option?

⁶ 2021 Nationwide Retirement Institute® Long-Term Care Costs in Retirement Consumer Survey.

⁷ “Long-term care insurance cost: Everything you need to know,” <https://www.marketwatch.com/picks/guides/insurance/long-term-care-insurance-cost-everything-you-need-to-know> (Oct. 6, 2021).



5. Be honest about your capacity for caregiving

When older adults need long-term care, it can put a strain on family members. Sometimes the strain is financial, with family members asking a child or sibling to contribute to the cost of care. Other times the strain is more emotional.

If parents can't afford to pay outside providers, their children and siblings should ask themselves:

Am I and/or my siblings ready to become caregivers? If yes:

- Do we have the power to make decisions on behalf of our parents when necessary?
- Have we been granted power of attorney for health care and financial decisions?
- Do we know each parent's medical or advanced directive for end-of-life care?
- Are we aware of our parents' revocable trust and will?
- Do our parents have a financial professional with whom the family should meet?
- What insurance policies do our parents have and where are the documents located? What assets and liabilities do they have?
- Do we have access to our parents' financial accounts?
- Where do we find usernames and passwords to manage our parents' money online?

By working through these five steps, family members can put a plan in place to reduce some of the unknowns associated with giving and receiving care.

For more information, ask your financial professional for a copy of the [Nationwide® Caregiving Resource Guide](#). It lists good-to-know facts and figures and walks you through questions, resources and tips to help family members provide care — and take care of themselves.



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This survey was conducted online within the U.S. by The Harris Poll on behalf of Nationwide between September 20 and October 12, 2021 among 1,812 U.S. adults age 25+ (general population sample) including 605 Millennials (age 25-40), 602 Gen Xers (age 41-56), and 605 Boomers+ (age 57+).

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