



**Paying for Long-
Term Care:
Understanding Your
Choices**

Part of an educational series
about long-term care choices in
Broome County.

Action
for **Older**
Persons

Information you can count on.
Assistance you can trust.

This Series of Real Choices Consumer Education Booklets includes the following titles:

- Paying for Long-Term Care: Understanding Your Choices
- Facility & Community Options: Understanding Levels of Long-Term Care
- Help at Home: Choices in Home Health Care & Support Services
- What You Should Know About Staying at Home: Safety, Security, Modifications & Repairs
- When You're the One Providing Care: Understanding Caregiver Support Services
- Advance Health Care Planning: Making Your Wishes Known
- Adults with Disabilities: Understanding Support Services
- Healthy Choices for Living Well

Long-Term Care Payment Options

Whether you're looking for services to help you stay in your own home, such as home-delivered meals, or you're looking for 24-hour care in a nursing home, you'll find there are many different long-term care options to choose from.

To understand which choices are available to you, you must consider your personal financial situation. Different types of care accept different forms of payment. Therefore, your choices for care may be linked to your ability to pay for those choices.

This booklet explains the most common ways to pay for long term care. Other booklets in this series describe long-term care choices that may be provided in a facility, the community, or your own home.

Once you've read this booklet, your next step may be to schedule a free counseling session with the local Health Insurance Information, Counseling & Assistance Program (HIICAP). A HIICAP volunteer can help you assess your financial situation and your payment options for the long-term care services that interest you. *It pays to be an informed consumer.*

Private Pay Using Income & Assets

All long-term care service providers accept private payment; some give preference to, or only accept private payment. You may find that you have more options to choose from if you're able to pay privately for your care, even if for a limited period of time.

For residents living on fixed and limited incomes, these expenses may become a challenge. If you're having difficulty paying your bills, you may be eligible for financial assistance to cover transportation, rent, utilities, and/or food costs. Government programs, non-profit agencies, and volunteer groups also offer a variety of non-medical community services for minimal or no cost, such as meals, weatherization, small home repairs, and shopper services.

To obtain more comprehensive information on these services and/or other cost-saving ideas call:

- The Senior Resource Line
Broome County Office for Aging
Phone: (607) 778-2411

Also, when assessing your ability to pay privately for long-term care, be sure to consider these options:

Reverse Mortgage – This financial loan option allows older homeowners to convert the equity in their homes into lump sum or monthly payments. For information and free counseling about Reverse Mortgages contact:

- Metro Interfaith Housing Management Corp.
21 New Street, Binghamton, NY 13903
Phone: (607) 723-0723

Life Insurance Accelerated Death Benefit Rider - This provision, or rider, is offered as part of some life insurance policies for an added premium cost. It allows for a portion of your life insurance benefit to be paid to you under certain circumstances. A list of insurers is available from:

- New York State Insurance Department
Phone: 1-800-342-3736

Long-Term Care Insurance - This type of insurance policy pays for long-term care expenses, and is purchased by people who want to protect their assets and/or avoid a spend-down situation. When exploring long-term care insurance options don't overlook the New York State Partnership for Long-Term Care. For more tips on how to choose a long-term care insurance policy, contact:

- Action for Older Persons' HIICAP
30 West State Street, Binghamton, NY 13901
Phone: (607) 722-1251

Medicaid

Medicaid is a government health insurance program that acts as a safety net to ensure that anyone who needs care will receive it regardless of ability to pay. It is the most frequent, or “primary” payer of long-term, skilled nursing costs since few individuals can afford to pay for this type of care over an extended period of time.

A person may qualify for Medicaid coverage in either of two ways: (1) He/she may be eligible based on income and assets; or (2) He/she may qualify for a monthly spend-down of income and assets to pay for medical expenses until income eligible.

Currently, asset limits do not include your house, car, limited burial fund, and unlimited money in an irrevocable funeral trust.

If you’re married and Medicaid is paying for your long-term care in a skilled nursing facility, your spouse will be protected by the *Medicaid Spousal Impoverishment Protection Act*. This law allows him/her to retain a certain amount of income and assets, a house, a car and personal possessions before being required to contribute financially towards your nursing home costs.

There are two types of Medicaid coverage:

1. Community Medicaid pays for medical care and a wide range of related health care services in the community, including the home care portion of Assisted Living Programs, the Long-Term Home Health Care Program, and hospice.

2. Chronic Care Medicaid pays for skilled nursing care in a facility (nursing home). Because Medicaid reimburses facilities at a lower amount than other payment options, many facilities will give preference for admission to people who are not on Medicaid. Even so, if you are admitted to a facility and Medicaid is your payment source, you are guaranteed the same quality of care as all other residents.

To determine eligibility and/or to apply for Medicaid, contact:

- Department of Social Services
Broome County
36-42 Main St., Binghamton, NY 13905
Phone: (607) 778-2604

In addition to the two types of Medicaid coverage described above, you should be aware of these non-traditional Medicaid programs that might benefit you:

Medicaid Buy-In Program – This program is available to working people with disabilities.

To be eligible, a person's disability must fit the definition as defined by the Social Security Administration. Through this program, you may retain a higher income and more financial resources than allowed under traditional Medicaid. You may be required to pay a premium.

Consumer Directed Personal Assistance & Traumatic Brain Injury Waiver Programs

– These programs are designed to give people more control over the services they receive in their home as well as who provides those services. To determine if a Medicaid qualified person is eligible for either of these programs, you must contact:

- CASA (Community Alternative Systems Agency), Broome County
Broome County Office Building, 4th Floor
Binghamton, NY 13902-1766
Phone: (607) 778-2420

Medicare

Medicare is a government insurance program available to people age 65 and older and to some people with long-term disabilities regardless of age. Medicare is ***not*** a solution to paying for long-term care. At most, Medicare may pay for limited, short-term care for rehabilitation purposes in a nursing home or in

your own home if you meet certain conditions. Also keep in mind that if you have a Medicare supplemental insurance policy, or “Medigap” policy, it will not cover any care that is not a Medicare eligible service.

Common Questions About Paying for Long-Term Care

How Much Does Long-Term Care Cost?

- The annual cost of skilled nursing home care in upstate New York averages \$90,000. That’s about \$247 a day.
- The average daily cost of Adult Care and Assisted Living can be more than \$100 a day.
- Even long-term care in your own home can be quite costly. Home health aide services may cost \$20 per hour or more, and a nursing visit can be \$100 per hour or more.

Is there any way to protect my assets from long-term care expenses?

- Be aware of laws governing how you may protect assets and in what time frame. Medicaid will not pay for your care if you recently gave away assets that could have paid for that care.
- Before moving any significant assets, you may want to consult an attorney who specializes in elder law. The Broome County Bar Association provides referrals to attorneys who offer 30 minute consultations for a nominal fee. Call (607) 723-6331.

Health Insurance Information & Assistance

Health Insurance Information Counseling & Assistance Program (HIICAP)

Action for Older Persons, Inc.

30 W. State Street, Colonial Plaza

Binghamton, NY 13901

Phone: 722-1251 • Fax: 722-1293

Email: aop@tier.net

Website: www.tier.net/aop/

Hours: 8:30 a.m. – 4:00 p.m., Mon.-Fri.

HIICAP provides unbiased health insurance counseling for midlife and older adults. HIICAP staff and trained peer volunteers assist in the understanding of senior health insurance policies, supplemental insurance and prescription drug coverage, and long-term care insurance. Free counseling is available by appointment.

HIICAP is a program of the New York State Office for Aging. In Broome County, the local Office for Aging contracts with Action for Older Persons, Inc. to run this program. A City of Binghamton Community Development Block Grant and United Way of Broome County provide additional funding.

STILL HAVE QUESTIONS?

Disabled and older adults have more care options than ever before. While having many choices is important, the long-term care system may seem complicated or overwhelming at times. That's why CARE volunteers are here to offer free guidance and support to help you meet your needs.

CARE Volunteers can help!

Community

Advocacy

Referral

Empowerment

Call today to have a CARE Volunteer help make the long-term care system work for you.

607-722-1251



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Action for Older Persons, Inc.

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All information herein is accurate as of November 2004. However changes in agencies and services occur frequently. For the most current information, the reader is encouraged to directly contact agencies, the Broome County Office for Aging at (607)778-2411 or the Broome County Online Elder Services Guide at: www.broomeelderservices.org.

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