

Are You Protected? Why Long-Term Care Insurance Is Key

With the myriad solutions available in the marketplace, it's hard to know which one to pick.

By Natalie Karp and Rona Loshak



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Leading parallel lives living as young married women with corporate careers and earning MBAs, we became new moms and part of the “sandwich generation.” This profile was not just a description of multi-generational caregiving but dictated a weight of responsibility.

Our parallel lives soon included widowed mothers: Natalie’s mom with a Parkinson’s diagnosis and without the ability to purchase long-term care (LTC) insurance; and Rona’s, who was able to secure a valuable LTC insurance policy and protect her daughter from becoming a caregiver.

Translation: Rona’s mom would have private, tax-free money to provide for extended care,

enabling her to remain in her new apartment as a widow without burdening her family, while Natalie’s had no protection. Without private insurance, choices would be limited and resources scarce. The burden fell on Natalie — financially and emotionally.

Natalie’s mother needed care for upward of eight years. She moved to an apartment where a home health aide could sleep. She went to an assisted living facility. When the facility could no longer care for her, the burden was on Natalie to hire around-the-clock private aides rather than put her mom in a subpar Medicaid facility. Ultimately, the last 10 months of her life were spent in a nursing home on Medicaid, after a lifetime of savings had evaporated.

Natalie was responsible for her mom’s care despite the competing financial needs of her own family. Besides the emotional toll Natalie felt, the costs were staggering and each level of care demanded greater resources. If her mom had purchased a LTC insurance policy when she was healthy, her plan of care would have been to remain home and in the community.

Appreciating the differences of experiences, we founded New York-based Karp Loshak LTC Insurance Brokerage Solutions over a decade ago to focus on the critical need to plan. Our style and our platform remain educational, independent and consultative. Here are six ideas worth considering given the consequences of extended care and the myriad solutions available in the LTC insurance marketplace.

We are living longer!

Ages 90 and 100 are becoming familiar milestones. Due to living longer, there is a greater need for long-term care compared with previous generations. Medicare will not cover these expenses. Longevity demands that we think differently. How do we maintain our lifestyle and independence without burdening our children or spouses? As women age, we are more likely to live alone, develop chronic conditions and get Alzheimer’s.

Family dynamics

Extended care is a family issue. Caregiving results in difficult decisions and causes family conflicts. What should be liquidated to pay for care? Where and how will care be provided? Spouses may be older and frail. Adult children may not live nearby and have careers and families. Blended families have even more complexity, where “everyone” and “no one” is in charge.

The financial consequences of care can be devastating to lifestyle and legacy, as well as compromise family dynamics. LTC insurance provides a private pool of dollars that pays for care, which allows for more choice and control. Relationships are preserved.



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Solo Aging

There may be no spouse or children to care for us. This growing population known as “solo agers,” or “elder orphans,” represents a mounting cohort. One in 5 baby boomers have no children, and one-third of adults will enter old age single (widowed, divorced or never married). Health, caregiving and safety concerns are further magnified for those who do not have a support system. LTC insurance carriers have care coordination services that can help manage care needs if requested.

Women: Use your financial muscle

Women are usually the drivers of the LTC conversation. If you have been traditionally absent from the financial table, LTC insurance planning is an ideal place to start. If there is a spouse who is uninsurable, women must take the financial reigns. Women need to plan for themselves, as assets will be redirected toward the uninsurable spouse, thus jeopardizing financial security, or worse, leaving them impoverished.

Do you have a “moat” to protect your income stream?

Your lifestyle is supported by an income stream. If you want to stay in a home environment or an assisted living facility, an LTC policy will provide you a separate income stream of tax-free money each month and protect your “sandcastle.” Without it, spending money for extended care can severely compromise your lifestyle and retirement portfolio.

You are never as young as you are today: Capture that good health!

Younger and healthier is the best time to plan for long-term care. Capture good health, current age and marital status for best pricing and options. The cost to waiting is that you risk becoming uninsurable. Long-term care insurance should be part of every woman’s plan to protect lifestyle, family and independence. Consumers are best served when able to review a comprehensive set of solutions given their age, health, budget, lifestyle, marital status and state residence. All carriers and plan designs should be considered when navigating the LTC insurance landscape for a successful outcome and planning experience. The time is now to plan for your future!

About the Authors

Rona Loshak, MBA, CLTC and Natalie Karp, MBA, CLTC are highly accredited, award-winning specialists in LTC Insurance. They are a Goldman Sachs 10,000 Small Business, Women’s Achievers’ Honorees, and recognized by The American Association of Long-Term Care Insurers as top professionals.

Karp Loshak LTC Insurance Solutions navigates the LTC marketplace to optimize successful outcomes and confident decisions. Their style is consultative and educational, and their service is from “conversation to contract”.

As national and independent brokers, Rona Loshak and Natalie Karp are fiercely client focused and affiliate with ALL the leading LTC Insurance carriers and myriad options in today’s marketplace. They navigate all plan



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designs including Stand-alone plans, Asset Based and Hybrid LTC Insurance, and Life Insurance and Annuities using LTC Riders to create customized plan designs and maximize financing options for tax and estate advantages.

The duo is well regarded for their educational platform and consultative approach. Recognized by national media, including the Wall Street Journal, recipients of citations and congressional recognition, Karp Loshak LTC Insurance Solutions is a trusted resource for consumers and professional advisors alike.