

Planning for Your Long-Term Care Checklist

It's no secret that people are living longer. In 2018, for the first time in history, people over the age of 65 outnumbered children under the age of five across the globe, according to the [United Nations' World Population Aging Report](#). To add, by 2050, the number of people over the age of 80 will triple, from 143 million in 2019 to 426 million.

Despite longer life expectancies, many wealth advisors say that less than 25% of their clients have a long-term care plan in place, notes Key Private Bank's Advisor Poll focusing on long-term care planning. Yet, people ages 65 and older currently have a 70% chance of needing long-term care services, according to the [U.S. Department of Health and Human Services](#).



More than half (52%) of advisors say that convincing clients to put a plan in place in advance of needing it is the most complex component of long-term care planning, according to the poll. Taking steps now toward securing a sound post-retirement future is critical to not only navigating health, but preserving family wealth, as well. If you're unsure what topics to include in your long-term care plan, here's a checklist to use with your family and advisor.

Start by understanding what comprises long-term care.

There is more to long-term care than the cost of living. Long-term care refers to any resources, including people that support and aid your physical and emotional needs, over a long-term period. Planning for long-term care can span from homeownership and caregiving preparation, to financial decision-making and legacy and estate concerns.

Sufficient and effective long-term care cannot be accomplished by guessing – it requires a thoughtful approach, guided by an advisor who takes all aspects of care into consideration.

Define how and where you want to live, and work with your advisor to determine how it fits into your financial plan.

One of the first steps in long-term care planning is identifying the events that trigger the need for long-term care and determining your life preferences during that time. In-home care, co-habitation with a relative, and assisted living facilities all have varying requirements and price points. Consider that the median annual cost of a home health aide is \$50,366,

and the median annual cost of a private room in an assisted living facility is \$100,375, according to [Genworth Financial](#).

Make your wishes clear to your family, and work with your advisor to create a deliberate financial plan that addresses your desires. [Check out our Long-term Care Conversation Starters for more details.](#)

Determine your loved ones' roles in your life and how you will address the need for a caregiver.

Your family members can play supportive roles in your long-term care – including simple tasks such as filling prescriptions and more complex tasks such as conversations with healthcare providers. Should you desire that a family member be your caregiver, consider the financial and emotional complexities of doing so, as it can present challenges to their own wealth, health, and stress level.



Have a family financial conversation, including your advisor, that lays out both the expectations and challenges of various caregiver roles within your family. [Read our Complexities of Caregiving eBook for more information.](#)



□ Know what steps you can take to stay healthy.

No matter your living and caregiving choices, your health should be a central piece of your long-term care plan. Healthcare costs are on the rise, the future of healthcare is uncertain, and, often, Medicare may not be enough. Becoming familiar with your health needs and the long-term costs associated with them helps ensure that they are factored into your financial plan for long-term care.

Work with your health providers and advisor to map out your healthcare, including the possibility of long-term care insurance.

□ Collaborate with your family and advisor on your legacy and estate plan, including legal instructions and power of attorney.

As a complement to your long-term care plan, consider preparing for your family's financial future through legacy and estate planning. From wills, trusts, and deeds, to bank accounts, retirement plans, and tax information, legacy and estate planning helps guide your family through your long-term care and protect family finances in the event of diminished capacity.



There are portions of your long-term care plan and legacy and estate plan that overlap, such as financial and healthcare power of attorney. [Discover the various aspects in our Legacy and Estate Planning Checklist.](#)

□ Regularly update your plan with help from your advisor, and keep your family informed.

Nearly half (46%) of advisors say that their clients should start preparing for long-term care costs between the ages of 40 and 50, according to the Key Private Bank Advisor Poll. However, long-term care planning is ongoing, as the plan you make today may not be the right plan a year from now. Remember that as life changes, so should your plan. Create regular touchpoints with your advisor and family to keep your plan up-to-date with your lifestyle and wishes.



For more information about long-term care planning, [please consult your Key Private Bank Advisor.](#)

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