

Long-term care article wasn't fair

In the recent article from *USA Today* about long-term care insurance, I was glad to see that a leading lawyer from California that sues insurers is still a fan of long-term care insurance, but I am disappointed that the article didn't point out that most carriers pay out the vast majority of all claims — 98 percent or better (2 percent of claims are not valid).

Most carriers are not "deceptive" or "unscrupulous." Too bad the media like to highlight the negative. I wish the article had been more positive about the carriers and an industry that pays out billions. For example, Genworth has paid out \$5.7 billion since 1974, has 1 million policyholders and more than \$1.5 billion in excess cash to pay claims in excess of what is required by regulators.

The gist of the article was to show the pressure on carriers to sustain long-term care insurance rates and product offerings in the middle of low interest rates and an aging population, but to emphasize the negative, I think, was unfair. The most sensible quote was made by a registered nurse in Ohio and co-founder of an assisted living facility. She stated that "long-term care insurance, is probably the most valuable of

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anyone's holdings." Even paying premiums for 20 years without a claim, one would recoup all the premiums within six months of a claim, plus have had use of other assets and peace of mind during those years. The best policy would have all levels of care, zero waiting period for home health care, restoration of benefits (if you get well for six months the full benefit restores), survivorship benefit (if spouse dies after having the policy 10 years the policy is paid up), inflation protection, and a 36- to 60-month benefit period.

In South Carolina, policy benefits with a COLA (simple or compound depends on age) can allow for Medicaid eligibility of an amount equal to what was used from the policy. It is good to read interesting articles but hopefully the headlines and dominant theme can be more positive, factual and informative.

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