

MARGIE BARRIE, *AUTHOR* - "Selling LTCI Today"

# Is long-term-care insurance worth the investment?

**BY CHRIS ANGERMANN**, *Correspondent*

**M**argie Barrie brings great expertise and passion to the subject of long-term-care insurance (LTCI). Before coming to Sarasota, she had a company in Baltimore, Md., that sold it nationwide. For 15 years, she has written a monthly column on the topic for national trade magazines and has published a book, "Selling LTCI Today." As the national marketing coordinator and master trainer for the long-term-care department of AHIT, an insurance industry trade organization, she has traveled all over the country. While she enjoyed it for a while, after five years she got tired of being away from home 30 weeks a year. By then, she and her husband lived in Sarasota. "No one here thought Bernie was married because I was never here," she says with a laugh. So she returned to selling LTCI locally with ACSIA Partners and continues to speak on the topic to local groups.

Correspondent Chris Angermann interviewed her in her home office in University Park.



**Q: LTCI sounds like a dry subject. Is it?**

A: It's actually a fun industry to be in. It's the one part of financial services where women have broken through the glass ceiling, so if you're female, you really do stand out. Also, long-term-care is a natural women's market because women tend to be the ones who take care of their aging parents.

**Q: What does LTCI cover?**

A: Staying at home, assisted living or nursing home costs. But the bulk of the care is received at home. We're also seeing more nursing homes going to rehab, and the problem with home care and assisted living is that they are virtually all private pay. To put it in perspective: Say, you need long-term-care for three years. In Sarasota, zip code 34232, the cost right now would be \$207,000.

**Q: Why is it so important that people consider LTCI?**

A: It's essential if you want to have choice or control over where you age. Everyone wants to stay home as long as possible, and it costs money. LTCI is an integral part of maintaining a decent lifestyle as you age. The odds of your home having a fire, of your car being totaled or being hospitalized are all less than 105 in 1,200. But the odds of needing long-term-care are 840 in 1,200! We insure for the first three, but where the odds are highest, we tend not to.

**Q: When should you start thinking about getting LTCI?**

A: The younger you are when you get it, the less it ends up costing over the life of the policy. You should do it in your 40s. But I get a lot of calls from people in their 70s saying, "You know we sort of forgot about this, and we better look into it now."

**Q: What makes you so passionate about the subject?**

A: I not only sell it, teach it and talk about it, I'm also living it. If anything brings this home, it's having your own mother go on claim. Mine was 90, and she was fine one minute, walking a mile a day. The next thing I know, I get a call

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from Baltimore — she's in the hospital with double pneumonia. It turned out that the antibiotics she received for it caused her muscles to be paralyzed, so she couldn't walk and was in nursing home for five weeks. She was miserable there and hated it. We were able to bring her home, and because she had the insurance, we didn't have to liquidate any of her assets. They remained as a base and continued to generate the income she needed to live on.

The first month, she had round the clock care. Her bill was \$442 a day. Since then it has been a third of that — one eight-hour shift a day of a health care aide being with her. (If you need more than one shift, my personal feeling is you shouldn't be at home.) We would not have been able to pay for that on our own, but her insurance covered all but 30 dollars a day. That she could pay. If my mother did not have this coverage, she would not be able to stay at home. We would have run out of money.

Another reason I believe in LTCI so fervently is that during my first marriage when my ex-father-in-law was in a nursing home for six years, I saw my mother-in-law have to leave a really nice condo for a studio apartment and then a one-bedroom. She also had to go back to work at age 74 as a sales clerk. It was horrendous to watch.

**Q: What are some of the things to consider when getting LTCI?**

A: I strongly recommend working with a long-term-care specialist. You need to go with a quality insurance carrier, but it can be confusing as to which company's plan is best for you. I can simplify it for you according to your priorities, questions and concerns. Does it make sense for you? Are you better off with a plan or without? Also, do you have enough money to do this? It requires having some assets.

Before I meet with a potential client, I ask a number of questions over the phone, in particular if there are any health issues. Then I submit that information to seven different underwriters, so by the time I sit down with you, I have done an analysis and I will know which company will be best for you and why.

**Q: What if you don't have the wherewithal to pay for LTCI?**

A: The alternative is Medicaid. The problem is that Medicaid forces you into a nursing home, and you have to spend down your assets first before it assumes full coverage. LTCI is something that everyone should look into. If you can't get it, it's good to know that. The probability of needing care is incredibly high because we're living longer, especially women. The federal government figures that 70 percent of people over age 65 are going to need care. So, it's almost a question of when are you going to need care, not if.

**Q: So why is this such a little-known, rarely discussed subject?**

A: A lot of people don't want to think about long-term care because they don't want to think about getting older and their health becoming impaired. But when there is a long-term-care crisis, it has financial, emotional and psychological consequences, and you can't avoid it. If there's a plan in place to deal with it, it makes it easier for everyone else around you to rally for your support. With my mother, thank goodness I could just call the insurance company and say, "I'm in trouble. Help!" It was as simple as that to get things started.