

Long-term care insurance can prevent financial ruin for families

When it comes to long-term care, many believe that somehow they are already covered through health insurance or Medicare. Some believe that Medicaid is a viable answer. This reasoning gives a false sense of security and can lead to financial ruin.

The truth is Medicare and health insurance pay for short-term care, which is designed to help you get better, but not long-term care. If medicine and other therapies won't help you, neither will they. It is all there, in black and white, on page 102 of the 2000 Guide to Health Insurance for People With Medicare.

"Long-term care: Custodial care given at home or in a nursing home for people with chronic disabilities and lengthy illnesses. Long-term care is not covered by Medicare."

So why do they cover some nursing home stays when the guide states they won't? The trick is in the wording.

Notice in the above definition the word "custodial." It means help that will get you by on a day-to-day basis by either providing supervision for severe loss of mental capacity or for loss of ability to perform basic activities, such as bathing, walking, dressing, eating and personal grooming needs. If this is the only care you require, Medicare



Mark Kirby

won't pay.

Medical welfare

Once you are in custodial or long-term care, there is only one government program that can help you: Medicaid, or "medical welfare." Unfortunately, you must prove destitution before you can receive it. Many families have falsely impoverished an ailing family member to preserve the assets for the family. This is becoming harder to do. The Medicaid system has been severely challenged in the last decade. It is continually being stretched thinner by an aging population with access to ever-increasing medical technology that prolongs life and makes the risk of long-term care even greater.

If you should end up on Medicaid, whether legitimately or through financial creativity, the quality-of-care issue looms ever larger. In the past, there was greater equity between what Medicaid would pay for a patient and what that patient would have to pay privately.

Lately, however, there is greater disparity. The increases in Medicaid spending are tied to the U.S. consumer price index, which, historically, has not kept pace with increases in actual costs. The result is that hundreds of nursing homes are operating under chapter 11 bankruptcy protection. If they don't stay in business, what will become of the 100,000-plus patients? In the meantime, how good is the care they receive?

When it comes to long-term care there are no easy answers. It is an unpleasant subject that is habitually swept under the rug and ignored, yet it is the leading cause of destitution in America. Our collective sense of denial, coupled with a vast array of misinformation, is leading us toward a crisis.

Insurance

The only viable relief available for the financial detriment imposed by long-term care is

insurance to cover the risk. Although it's not always a perfect solution, it is the best one so far. Currently there are two bills in Congress that will make the premiums fully deductible. The current medical deduction requires a threshold of 7 1/2 per-

cent of adjusted gross income before the allowance.

The introduction of these bills is a clear indication from the federal government that it is unwilling or unable to further enhance either Medicare or Medicaid. When it comes to long-term care

the message is clear: You're on your own until you are broke, and don't expect much after that.

Mark Kirby is a long-term care specialist with GE Financial Assurance. Call him at (734) 462-4960.

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DISTINCTIVE PERSONAL BANKING

Teen from page D4

pendence Agency. It focuses on both male and females, ages 13 to 19 years old, who are at risk of experiencing a first or repeat birth.

Soares said the community is fortunate in that "there was sufficient infrastructure already in place to launch a program." However, in order for the program to be a success, she said, people in the community must make their voices heard: It is not acceptable for teens to be having babies.

The TP3 health education classes began April 11 with an eight-week series titled "Reducing the Risks." Ten classes will be held throughout the Wayne-Westland area. Topics include abstinence negotiation skills, reducing the risk of sexually transmitted disease and HIV infections, violence reduction, and drugs and alcohol informa-

tion. It also teaches teens the value of a good reputation. "Once a 13 year old gets that reputation, it is very difficult," said Soares.

Having one baby is a difficult lesson to learn; having another baby can introduce a set of negative dynamics, she added. "With each baby additional stress - emotional, economic and social - is brought upon that pregnancy and that family, so the birth outcome lessens. It sets up a cycle of poverty that becomes very difficult to break."

However, one pregnancy does not have to cast a mother's life in concrete, stressed Soares. "You don't have to repeat this pregnancy. There are things you can do to reach your goals."

The program is offered at the following times and locations:

■ 3:30-6 p.m. Wednesdays, April 11 to June 6, and 10 a.m.

to 2 p.m. Thursdays, April 12 to June 7, at the Dorsey Center, 32715 Dorsey, Wayne.

■ 3:30-6 p.m. Wednesdays, April 11 to May 9, and 3:30-6 p.m. Thursdays, April 12 to May 10 at the Wayne County Administration Building, 33030 Van Born, Wayne.

■ 3:30-6 p.m. Thursdays, April 12 to June 7, at the Simmons Center, 29150 Middlebelt, Inkster.

■ 3-5:30 p.m. Wednesdays, April 11 to June 6, at the Inkster Recreation Center, 2025 Middlebelt, Inkster.

Wayne-Westland teens can still to sign up for the TP3 program. As an added incentive, the health department is offering \$50 to each teen who completes the program.

Call the TP3 helpline at (866) 266-TEEN.

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