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(F1C)

# Insurance will pay for nursing for frail elderly

By Philip A. Sherman  
staff writer

A not-necessarily-new type of insurance that pays for basic, rather than skilled, nursing home care for people older than 50 is gaining popularity as a hedge against the accelerating cost of growing older in America.

This insurance, unlike Medicare and private health care coverage, pays for the day-to-day unspecialized nursing home care desirable for a disease such as Alzheimer's. The insurance has no special name of its own but is known by the name of the company that sells it.

Its benefits are just starting to be made popular by financial consultants and planners who have seen families without such coverage go bankrupt to pay for nursing care.

"YOU'RE LOOKING at essentially the impoverishment of the other spouse to provide aid," said Dan Boyce, a certified financial planner with the Center for Financial Planning in Birmingham. "Five to 10 years ago they only covered skilled care facilities, not custodial or intermediate care."

Boyce said this type of insurance pays the \$60-\$70 per day basic nursing home charge, a cost typically not picked up by Medicare or private insurers unless at least some skilled care is required. Boyce and financial analyst Steve Zimberg, president of Asset Advisory Services Inc. in West Bloomfield, both pegged Medicare's payout rate for basic care at less than 2 percent.

Without such coverage, a couple's financial picture can become bleak unless the couple is wealthy by today's standards. For example, Zimberg said that at a nursing home's average daily rate of \$70, multiplied by what he and Boyce said is the average nursing home stay (between two and three years), out-of-pocket expenses for basic care could reach \$75,000.

**'Five to 10 years ago they only covered skilled care facilities, not custodial or intermediate (care).'**

— Dan Boyce  
certified financial planner

It is important to draw a distinction between skilled and basic care. If an individual breaks a hip and requires skilled rehabilitative care outside a hospital setting, it most likely will be paid for by the individual's health care insurer and/or Medicare.

BUT THOSE AGENCIES rarely will pay benefits for a disease such as Alzheimer's. Even though it's an incurable progressive disease typified by gradual memory loss due to neurological damage, skilled care is not required. As the disease progresses and the individual becomes increasingly impaired, families must decide whether to pay for the individual's care in a nursing home facility or care for the individual at home.

Instead, Boyce and Zimberg advise their clients to buy insurance to pay these costs. Boyce said he generally tells clients "to buy it at age 64 — the year before it goes up. There's little chance anyone would use the benefits prior to that." Zimberg tells his clients "the earlier the better. As you get older it gets more expensive, and you have to buy it when you're healthy."

FOR EXAMPLE, both said couples 60-64 could buy this insurance for about \$500 annually. From 65-69, and for five-year periods after that, the cost doubles. Part of the reason



You can buy insurance coverage that will pay for unskilled nursing care, appropriate for someone with Alzheimer's disease or who just needs some help to lead a near-normal life.

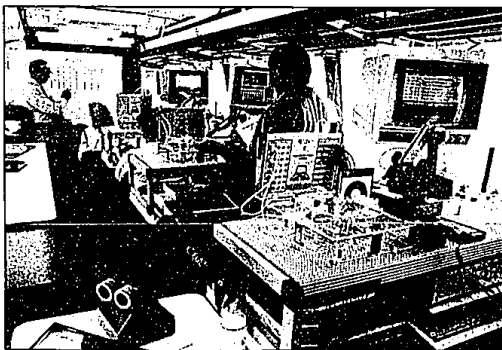
this insurance is gaining popularity is strictly statistical: the over-80 population is expected to double within the decade, and nursing home admissions are expected to jump to 4 million annually by the year 2020 (from 1 million today), according to Boyce, Zimberg and a lecturer at a University of Notre Dame symposium on diet and aging. Amex, a Farmington Hills busi-

ness and subsidiary of American Express, is one company that sells such insurance. According to Jim O'Keefe, regional manager, the insurance makes the difference between worrisome and relatively worry-free care.

"IF THEY are going into a nursing home, better than 50 percent will be bankrupt within a six-month period of time," he said. "And you have to be below the poverty level for Medicaid to kick in."

A basic policy through Amex offers a benefit period of two, four or six years, O'Keefe said. Depending on the benefits written into the policy, it can cost about \$300 annually at age 50 and jump to \$2,800 by age 84. About 500,000 people nationwide had such insurance last year, O'Keefe

added. Reginald Carter, president of the Health Care Association of Michigan in Lansing, favors such insurance. "It is a good product as far as having the qualifications necessary for that type of insurance," Carter said. "They're (Amex) backed by American Express, which is a good company. You know they're going to be around."



The center will teach high technology to a company's employees.

## College, center expand teaching of technology

The Advanced Center for Technology Training has begun a joint instructional effort with Walsh College in Troy as part of an expansion effort.

It will also add satellite campuses in Iowa and Illinois and hold several programs at two Midwestern automotive plants.

Walsh College will offer an ACTT-proposed, four-week management training program designed to teach accounting majors and accountants about manufacturing technology.

The course work aims to hone students' ability to buy automated equipment for their companies. The Iowa and Illinois locations are at community colleges and will be

operated by four independent contractors approved by ACTT, according to Paul Agosta, marketing director.

In addition, a General Motors Corp. plant in Lordstown, Ohio, and Ford Motor Co.'s Dearborn engine plant will have on-site ACTT programs.

## Training company teaches how to handle high technology

By Filip Fracassa  
special writer

Manufacturers wishing to increase productivity through high-tech automation are turning to a Farmington Hills-based training firm to educate their workers and bridge the gap between theory and practice.

The 17-employee Advanced Center for Technology Training charges students \$1,000 to \$1,800 per course to learn robotics, fiber optics, telecommunications, sensors, actuators, computer integrated manufacturing (CIM) and other technological applications.

So far, fewer than 50 have completed course requirements since the center was formed.

After spending its first year of operation developing training tools and teaching two small classes of trainers, ACTT is ready to venture into the corporate arena.

Right now, the company is pitching intense training CIM programs to executives in the manufacturing, automotive, materials-handling and process-control industries.

While students during the first year learned to be trainers, students from now on will be engineers, supervisors, managers, skilled tradesmen, executives, lawyers, accountants and factory workers who want to keep up with swiftly changing technology, according to marketing director Paul Agosta.

Other potential students are employed workers trying to upgrade skills, unemployed workers who need new skills, robotics buyers and prison inmates who need a skill for employment, upon completion of their sentence.

"It is clearly ACTT's goal right now to deliver a curriculum in technology that will prepare workers and executives for automation and robotics," Agosta said. "We are not a job-placement service but attempt to instruct theory in a hands-on environment with practical application at a work station."

AGOSTA CLAIMS engineers learn theory in college, but are unable to actually work with robots, sensors and machine vision equipment in the

classroom. "College students get simulation but don't actually press the buttons and apply their theories," he said. "We show students the components and illustrate how they function individually and as one. It's a very practical approach."

ACTT's parent company, Lutz Associates Inc., formed the subsidiary in September 1986 as a training adjunct for Lutz's manufacturing clients.

"We want to prepare workers for the factory in the 21st century," Agosta said. "Twenty years ago we were automated, and we have to change."

Agosta said ACTT spent 1983 and 1987 developing and manufacturing work stations and upgrading workbooks based on the Organization for Rehabilitation Through Training's methods and materials. ORT, an international agency based in London and Geneva, licensed ACTT to serve the U.S. market.

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