

With indemnity policies, the caregiver or facility is reimbursed; with cash policies, the check goes straight to you. There are also hybrids policies. In general, the cash policies and the indemnity policies cost more than the pool system, which is also called a reimbursement system.

### **Other variables to consider**

Don Rosenberg, an attorney with Barron, Rosenberg, Mayoras & Mayoras PC, provides a laundry list of things to consider when shopping for long-term care insurance, including:

- A pool of money for home and/or nursing home, assisted living or adult day care coverage. This essentially means that a pool of money is available to pay for any degree of care, whether that means at-home nursing assistance or living in a nursing home. For instance, some traditional policies pay nursing home benefits in one amount and half that for the at-home nursing benefit. This pool can also be used for both a husband and wife to draw upon.
- The financial strength of the insurance company is a good thing to check.
- You want to be able to choose where you receive care.
- Make sure the policy covers all types of care, including all forms of dementia.
- If you purchase a plan through an employer, make sure it's portable. Otherwise, it's better to buy an independent policy outside of work.
- Get upfront underwriting. All coverage should be spelled out when you get the policy, not calculated when you need it.
- Make sure you have guaranteed renewability. Rosenberg says, "You want them to only be able to change the premium in midpolicy if they change the class. For instance, if I had a policy and the company changed the premium, that wouldn't be fair, but if they changed everybody's that they sold the policy to in the same class, that's acceptable."
- Understand the contract. Make sure the policy is written in clear English. If you don't understand what it means, ask for a clarification.

Also, understand the policy when you elect to share it with a spouse. "If there's a husband and wife, there is usually a spousal discount as well as the 'one-pool of money' concept," says Rosenberg. "You can have it shared, one pool for either one of them.

"I'm also a believer -- and this might be chauvinistic -- but if you can only afford to insure one person between a husband and wife, you insure the wife because she's likely to live longer."