

Q: Should I get long-term-care insurance?

A: The standard answer to this question is, “Don’t buy long-term-care insurance if you can’t afford the premiums—nor if you will have hundreds of thousands of savings left when you are in your late nineties.”

That said, it depends on your individual considerations vs. what's offered. You can do an explicit analysis using the Pre & Post Retirement Planner from www.analyzenow.com for particular assumptions. Sometimes it makes sense to get partial coverage with a policy that has inflation protection. It all comes down to what age you need the coverage, what age you might live to, and what those future support costs will be. It's about the fuzziest kind of analysis you can make. That’s why the insurance coverage should be considered.

As an alternative, sometimes a spouse or daughter is willing to take on the load as caregiver if the home is suitable for the handicap. This too will be a hard decision because it's a trade of capabilities—mentally, physically as well as financially—all unknowns. Many have to fall back on Medicaid after they have exhausted their savings.

Before making a decision, it’s a good idea to talk to family members as well as the insurance companies. The advice from a certified financial adviser (CFP) would be very helpful too.