



"From Where I Sit ..."

Long Term Care Insurance ... Why you need it!

According to the [2014] Book of Discipline of the CME Church ¶1034.1 §1, page 213 one of the objectives of the General Board of Personnel Services is *"To develop an expanded program which includes concerns of and for the ministry in terms of support and maintenance, counseling, welfare relief, pre-retirement assistance, [and the] retirement and survivors' benefits of CME ministers."* Under the auspices of counseling, particularly for pre-retirement, I believe one of the important and often overlooked planning areas for ministers is long term care insurance. As ministers, our check list is often limited to life insurance, health insurance, and perhaps some form of limited disability insurance. Very seldom do we consider or add to our planning list long term care insurance.



Long term care insurance is basically just what it says in its name. It is insurance that provides for your care (or the care of a family member) over a long period of time (more than 6 months). There are pros and cons about purchasing long term care insurance so each person must consider what is best for their individual needs. However, one AARP source says, *"... you may want to consider LTC insurance if you want to protect your assets for your spouse, heirs or charity. Or perhaps you don't want to be dependent on a government program. Buying long-term care insurance will give you more control and independence, which in itself could offer a benefit by providing peace of mind."*

Too many families find themselves needing to secure care for a family member without long term care insurance and having to depend on a government program. This is usually where the problems begin. Most governmental programs (such as Medicare or Medicaid, etc.) will provide only short term benefits (100+ days) and may require the person needing assistance to surrender their assets in return for benefits. From the website LongTermCare.gov the following general requirements were cited to determine eligibility for Medicaid benefits such as nursing homes, etc.:

Assets that are usually counted for eligibility include: 1) Checking and savings accounts; 2) Stocks and bonds; 3) Certificates of deposit; 4) Real property other than your primary residence; and 5) Additional motor vehicles if you have more than one. What may not be counted is: 1) Life insurance with a face value under \$1,500; 2) Up to \$1,500 in funds set aside for burial and 3) Certain assets held in specific kinds of trusts.

Whether you think you need long term care insurance or not, it is a reality that with the rise of more diseases such as Alzheimer's or Parkinson's or the occasions for serious injuries or strokes, it is apparent that the costs can run into the millions. With a good insurance policy some of this loss can be averted ... or at least that's the way it looks to me ...

"From Where I Sit"

Tyrone T. Davis, D.Min, is the General Secretary of the Board of Personnel Services
(Copies of earlier articles may be found on the
Personnel Services Webpage of the CME Website at www.thecmechurch.org)