



## **What is long-term care, and how can you plan for it financially?**

What is long-term care? It is the services needed to help you if a chronic illness or disability stops you from living on your own or performing daily personal activities such as getting dressed, taking medicine, or making meals.

Planning for long-term care is a serious issue: seven out of 10 adults who survive to age 65 develop severe long-term services and support needs, according to a 2019 study published by the U.S. Department of Health and Human Services.

Lauree Peterson-Sakai, senior vice president of Aging Client Services at Wells Fargo, says there are four considerations everyone should keep in mind as they develop a long-term care plan:

### **Know the different levels of care and their costs**

**Aging in place** often refers to services being delivered to you in your home and can include aid rendered by visiting nurses, family and friends. It can also mean living in a continuing care community that has different facilities, each providing increasing levels of care. You move into the facility that matches the level of care you need and move to higher levels of care as you require them. The benefit of residing in such a community is that you “age in place” as you progress through the facilities that offer the level of care you need. It can be comforting to know that you will not need to seek a new care facility each time your care requirements change. You just progress through the stages within the same community.

**An assisted living facility** is often a residence that provides staff who can assist with daily needs (showering, dressing, taking medications). Moving into assisted living may also add a level of security knowing that you are not alone if a fall or a health event occurs.

**Skilled care** refers to a residential facility (or nursing home) that includes on-site medical care. These facilities often include short-term rehabilitation services following a hospital stay as well

as 24-hour nursing care for full-time residents who require extensive assistance and supervision. Memory care units may also be provided in these facilities for residents with cognitive challenges such as Alzheimer's who require the most extreme level of supervision and care.

As you would expect, the associated costs for care increase with the complexity of the level of care.

### **Solidify your plan sooner, not later**

You might not need long-term care services until later in life, but consider planning well in advance. You don't want to be developing a plan to pay for these services after you already need them.

### **Discuss how you want to be looked after with loved ones**

It is important for you to communicate your wishes so that they can be understood and considered. Though you may assume your adult children are going to care for and support you if the need for long-term care arises, you should find out whether that is the case by speaking to them directly. Consider working together to create an action plan that supports your needs.

### **Consider how you'll pay for long-term care**

Health insurance and government programs, such as Medicaid and Medicare, impose restrictions and limits when it comes to paying for long-term care. That means you may need to incorporate other approaches into your plan such as liquidating assets, paying out of pocket, relying on a family member to pay, or purchasing long-term care insurance. Peterson-Sakai says you should discuss all possible choices thoroughly with your legal and financial advisors.

As always, if you have any questions on this topic or any others, feel free to contact any of us at any time.

We are happy to help.

**Tay Jacoby-Fries**  
Financial Advisor, RICP®

Anderson Wealth Management Group | of Wells Fargo Advisors  
California License #0N12781

9755 SW Barnes Road | Suite 295 | Portland, OR 97225  
Ph: 971-394-2669 | Fax: 971-394-2664

tay.jacobyfries@wellsfargoadvisors.com  
www.andersonwmg.com

---

**Andrew C. Anderson**

Financial Advisor

Anderson Wealth Management Group | of Wells Fargo Advisors  
California License #0B03182

9755 SW Barnes Road | Suite 295 | Portland, OR 97225  
Ph: 971-394-2669 | Fax: 971-394-2664

andrew.anderson@wfadvisors.com  
www.andersonwmg.com

---

**Kristin A. Quinn**

Senior Registered Client Associate

**Anderson Wealth Management Group** | of Wells Fargo Advisors  
9755 SW Barnes Road | Suite 295 | Portland, OR 97225  
Ph: 971-394-2669 | Fax: 971-394-2664

Kristin.Quinn@wfadvisors.com  
www.andersonwmg.com

---

**Katy Fackler**

Senior Client Associate

**Anderson Wealth Management Group** | of Wells Fargo Advisors  
9755 SW Barnes Road | Suite 295 | Portland, OR 97225  
Ph: 971-394-2669 | Fax: 971-394-2664

kathleen.fackler@wfadvisors.com  
www.andersonwmg.com

This article was written for Wells Fargo Advisors and provided courtesy of Andrew C. Anderson, Financial Advisor and Tay Jacoby-Fries Financial Advisors in Portland, Oregon at 971-394-2669.

**Investment and Insurance Products are:**

- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or Guaranteed by, the Bank or Any Bank Affiliate**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.

©2017-2021 Wells Fargo Clearing Services, LLC. All rights reserved.

CAR# 0322-01719