

# Healthy Habits

## HEALTHY HABIT #5

## Plan for your future

When you're young and healthy, it's hard to imagine ever growing old and being unable to care for yourself. But the fact is, one in three people will need some sort of long-term care after age 50. In the event of a serious accident or medical condition, some could need that care much sooner.

If you think your health insurance will pay for nursing home care, think again. Medicare only pays for the first 100 days. Medicaid, America's health assistance program for those with very limited incomes, does not begin to pick up the tab until most people have spent down their life savings, often leaving a spouse in dire financial straits.

The cost for long-term care increases every year. In 2007, the average cost for a single year in a private nursing home is \$75,000, more than the average household income and nearly double the cost of most four-year college degrees.

Financial experts say it is critical to include a long-term care strategy in retirement planning, and Costco makes it easy and inexpensive by offering employees the opportunity to purchase long-term care insurance at the company's great preferred rates with Unum. By enrolling now, you can keep your costs low and avoid the possibility of being uninsurable later. It's also a good idea to ask your parents if they've thought about what would happen should they become unable to care for themselves. Most of the burden for organizing their care is likely to become your responsibility, and you will be much better prepared by having this conversation now.

Benefit-eligible employees and their spouses, domestic partners, parents, grandparents (including in-laws) and siblings can enroll any time by providing evidence of good health. There also is an open enrollment period each year for those reaching certain employment milestones (see below).

## LONG-TERM CARE OPEN ENROLLMENT

### July 1-31 ▾ Enroll now!

*Don't let nursing home care bankrupt your family.*

The open enrollment period allows employees who qualify under either of the following two guidelines to obtain guaranteed-issue LTC insurance without providing evidence of good health:

- Employees who first became benefit-eligible between 7/1/06 and 6/30/07
- Employees who reached their 10-year anniversary between 7/1/06 and 6/30/07

Those qualifying under these guidelines should have already received information at home by mail.

For more information, call Unum at 1-877-403-9348 or, on the Web, go to [costcobenefits.com](http://costcobenefits.com) and click on "Other Benefit Programs."

**MOST PEOPLE INSURE THEIR HOMES AND THEIR CARS, BUT NOT THE COST OF A NURSING HOME STAY – THE RISK THAT'S MORE LIKELY TO OCCUR IN YOUR LIFETIME.**



There's a **1 in 1,200** risk of having a fire that will cause major damage to your home.



There's a **1 in 240** risk that an accident will totally destroy your car.



There's a **1 in 3** risk that you will spend 2.5 years in a nursing home.

Source: J. Sandler, D. Newman, CLU, ChFC, "Making the Transition to Long Term Care," LAN, November, 1993, p. 111.