

RESOURCES

HOW CAN YOU PAY FOR ASSISTED LIVING?

There are several sources of funds commonly used for paying for assisted living: private funds, long term care insurance, Veterans benefits and Medical Assistance.

Private funds can come from personal savings or investment portfolios, like 401k plans or Individual Retirement Accounts (IRA). Many people sell their homes, using equity that has built up over their lifetime, to pay for assisted living. Seniors who do not want to sell their home may consider paying for services through a reverse mortgage, where long-time homeowners essentially borrow against the value of their home.

Long term care insurance, an umbrella term for insurance that covers nursing home care, home-based health care and assisted living in addition to other medical services, can help pay towards the cost of assisted living for those who have a policy with a few restrictions.

For example, most long-term care insurance policies won't cover the costs unless you are unable to perform two or more "activities of daily living" (ADLs). Some examples of ADLs include bathing, dressing, eating, getting from a bed to a chair, using a toilet and walking. Some insurers may evaluate with a physician of their choice—not yours—to see if your condition qualifies for coverage.

The type of long-term care insurance policy is critical, too. For instance, a "facility-only" policy covers care received in a licensed assisted living facility or skilled nursing facility,

but not care in an unlicensed facility or in your home. Better to get an integrated home care policy with 100% protection for care received either in a licensed health care setting, or in an unlicensed setting, like your home.

In some cases, Veterans benefits can help cover the costs of assisted living programs. To qualify, you'll need your military discharge papers, a valid medical condition that comes with a doctor's letter of validation, certain minimum financial asset conditions, and the filing of a formal application. Questions regarding eligibility can be directed locally to Otter Tail County's Veterans Service Office 218-998-8605.

Minnesota's Elderly Waiver Program (a form of Medical Assistance) pays for home and community-based services for people aged 65 years or older who require the level of medical care provided in a nursing home but choose to reside in the community. To qualify, applicants must be at least 65 years of age and have significant health challenges so that they require the level of care provided in nursing homes. The asset limit for a single applicant is \$3,000 excluding the value of their home or vehicle. Questions regarding eligibility can be directed locally to Otter Tail County's Human Services department 218-998-8150.



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Please feel free to call and I'll explain your options."

- Mick Siems, Director