

Lincoln Financial Urges Families to Have a Conversation about Long-Term Care with Mom This Mother's Day

RADNOR, Pa.--(BUSINESS WIRE)--Lincoln Financial Group (NYSE:LNC) encourages families to use this Mother's Day to start a conversation with mom about the importance of long-term care and strive to better understand her wishes. Mothers tend to be the primary caregivers in families today and it's important to ensure she is taken care of as well. In an April 2016 survey of 1,000 Americans better than half of those polled have had a serious conversation with their mother about her health but Millennials and GenXers are more likely to talk with mom about it than Boomers who may have parents facing this very issue. ¹

The majority of Americans turning 65 will need some form of long term care services in their lifetime.² Still the Lincoln data shows only three in 10 Americans feel positive that their mother has enough savings for long-term care.

"One of the biggest concerns I hear from my female clients is that they do not want to be a financial burden on their families as they age," says Karen DeRose, CFP, President and Managing Partner of DeRose Financial Planning Group and a registered representative of Lincoln Financial Advisors. "Talking about long-term care is a difficult conversation, but a critical one to have. Unless you've experienced a long-term care event for yourself or a loved one, you may not realize the impact it can have on the entire family, both emotionally and financially."

Since most moms tend to take care of other's needs before their own, they may be more inclined to plan ahead for care if they see how it may benefit the entire family. According to the survey, 59 percent of mothers are somewhat open to a discussion about planning for the future and moms of Millennials and GenXers are more likely to be open to ideas and information.

"Addressing the challenges of long-term care means first getting educated about the risks, then taking action to protect yourself and loved ones," says Andrew Bucklee, senior vice president and head of Insurance Solutions Distribution for Lincoln Financial Distributors. "A good next step is to have a conversation with your mother about what she truly wants and can afford."

"Consumers should be aware of the myths that exist around long-term care, and then put a plan in place for how to address the need for care," advised Bucklee. Throughout its research into the consumer understanding of long-term care issues, Lincoln identified several persistent myths:

Myth 1: This won't happen to me. Lincoln's study found that only 20 percent of consumers believe they are likely to need long-term care for themselves, reflecting a significant disconnect between what people think they might need and reality.

Myth 2: Medicare or Medicaid will cover long-term care expenses. In truth, Medicare takes care of just a portion of skilled nursing facility costs –up to 100 days. Medicaid only kicks in once you've depleted your financial resources. Relying on Medicaid may also limit your choices for where you can go for care.

Myth 3: My family will be able to take care of me – no matter what. Unfortunately, caring for an aging parent or spouse can be challenging. You need to consider the daily demands of caring for a loved one or being the one cared for, and how that can impact your life. For spouses and adult children, the demands of providing 24-hour care can be exhausting and may require time away from work and family. And when women become caregivers, they are 2.5 times more likely to end up in poverty and five times more likely to depend on Social Security (AALTCI).

Of the 69% of Americans surveyed by Lincoln Financial Group who said that they were in a position to provide their mothers with long-term care, only 19% felt that they were able to provide financial care. A lack of communication may result in some pre-retirees believing that their children can care for them, while children do not see this as a realistic option financially.

Myth 4: That's what savings are for

The cost for care can be staggering, even for people who believe they've planned appropriately. According to Lincoln's "2015 Cost of Care Survey," the average cost of a private room in a nursing home can be up to \$97,611 a year. That price tag is surprising to a lot of consumers, and financial professionals estimate that clients facing an unplanned care

event may spend their savings 2 – 3 times faster than planned.³

There are resources like whatcarecosts.com/Lincoln (Code: 2016) that are available for consumers to compare the cost across states, to help in planning.

It's important for customers to understand the truth about some of these common misconceptions ... and the impact that a long-term care event can have on the people they love most. Bucklee urges consumers to ask themselves and their loved ones these questions:

- “What would my loved one or I want, if faced with the need for care?”
- “Where do my loved ones or I want to live if care should be needed?”
- “Is having the family provide care an option?”
- “How will we pay for professional care, when needed?”

“A good next step should be to seek out a professional who has experience helping families with these issues,” Bucklee says. “You should talk with a financial advisor, who can help you navigate the options available to you and plan ahead for what is best for you and your loved ones.”

For more information visit www.whatcarecosts.com/Lincoln/2016. (Code: 2016)

About Lincoln Financial Group

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¹ This report presents the findings of a survey conducted among a sample of 2,046 adults comprising 1,017 men and 1,029 women 18 years of age and older. The Caravan® online omnibus survey is conducted by ORC International twice a week among a demographically representative U.S. sample of 1,000 adults 18 years of age and older. This survey was live on April 4-10, 2016.

² U.S. Department of Health & Human Services brief;
<https://aspe.hhs.gov/basic-report/long-term-services-and-supports-older-americans-risks-and-financing-research-brief>;
7/01/2015

³ “2014 Lincoln Financial Group Cost of Care Survey” conducted by LTCG, January 2015. For a printed copy, call 877-ASK-LINCOLN. Family Caregiver Alliance, “Women and Caregiving: Facts and Figures,” FCA, <https://caregiver.org/women-and-caregiving-facts-and-figures>, February 2015.

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