



Women and Long-term Care Planning

Broaden your reach to build new relationships

WHITE PAPER



Long-term care has a greater impact on your female clients

Women make up more than half of the U.S. population (166 million) and control over \$14 trillion in assets, which is why it's important to understand their specific financial needs.^{1,2} Especially when an estimated **90% of those women** will be solely responsible for their finances at some point in their lives. Women want and value financial advice, and as their lives change and needs evolve, financial professionals can offer them solutions and strategies to help.³ Financial professionals can approach these conversations easily since research shows that though men's and women's specific concerns may vary, women share similar financial goals as men. These goals include three main aspects: to protect their wealth, grow their assets and secure a comfortable standard of living, **especially in retirement.**

Our research is designed to help you maximize your relationships with female clients on a topic vital to maintaining balance in their lives: **long-term care planning.**



Helpful hint:

Cultivate trusting relationships by providing relevant, timely advice.

Understanding long-term care needs

Long-term care (LTC) needs are important for all your clients but are even more important for your female clients. With more women focusing on excelling in their careers and living longer lives, there is a definitive need for women and long-term care planning that should be addressed. Financial professionals can play a key role in addressing the needs of married women who face unique challenges that may impact them, such as spousal care, medical/financial decisions and children as caretakers. They can also speak to the needs of single women who may not have married or had children. Putting a long-term care plan in place sooner may make a difference in the quality of life women enjoy later.

¹ Financial Planning, "Women are not a niche: Why financial advisors must look beyond gender," April 2019, <https://www.financial-planning.com/news/why-financial-advisors-should-look-beyond-gender>.

² Fortune, "U.S. Women Control \$14 Trillion – but Most Wealth Managers Still Ignore Them," April 2019, <https://www.fortune.com/2019/04/11/women-money-assets-wealth-management-financial-advisers/>.

³ CNBC, "Here's how women can become financially independent," May 2019, <https://www.cnbc.com/2019/05/30/heres-how-women-can-become-financially-independent.html>.

Tips for maximizing value to female clients

- 1 Exhibit confidence, compassion and experience during your client conversations.
- 2 Be a sounding board for your clients' concerns and be sure to listen closely to their needs.
- 3 Garner trust through honesty and empathy as you're discussing long-term care plans.
- 4 Share your knowledge by offering female clients information and statistics that matter to them.
- 5 Align your suggestions and solutions to address their specific concerns and wants.
- 6 Ensure that your clients feel comfortable sharing their fears and asking you questions.

Focus on long-term care planning

Women are faced with long-term care planning decisions throughout their lives since they are more likely than men to become care providers for their loved ones. They are also more likely to need long-term care services themselves with roughly **58% of women needing long-term care** in their lives.* Our research shows that there is a huge planning gap in the marketplace with very few women having any type of long-term care plans.



Financial professionals can bring a tremendous amount of value to the planning process. They can:

- ✓ Help clients begin planning at the right time
- ✓ Ask relevant questions
- ✓ Share lessons learned from their experience
- ✓ Provide clients with long-term care planning solutions that align with their needs

* Lincoln Financial, "Planning for Long Term Care, 2019," <https://newsroom.lfg.com/document-library/importance-planning-long-term-care>, July 2019. Information presented here is from those polled in our survey.

Start conversations that matter

The best time to initiate a long-term care planning conversation with your female clients is during a regular meeting. Don't wait to plan a session to specifically discuss long-term care because some clients may put it off. Once a conversation gets started, the plan can evolve organically and begin to take shape.

Conversation starter	Insight gained
Do you have a LTC plan in place?	If "yes", you can see if her plan works best for her needs. If "no", now is the time to bring up the importance of planning and go over the available options.
Tell me about your parents and their health.	This can offer insight about longevity in her family and the type of care she may need. You'll also discover how her parents' LTC needs were handled and who planned and paid for their care.
Have you had any personal experiences as a caregiver?	If your client has a caregiving experience of her own, she may be more inclined to plan for herself and have specific ideas in mind related to care (for instance, a preference for skilled care vs. unskilled care).
Should you need it, how would you pay for LTC?	You'll be able to identify which assets she would spend first to pay for care and perhaps find a better alternative to that plan, such as a long-term care funding solution that could work efficiently in her portfolio.
Let's talk about the costs of LTC.	Our research shows that clients underestimate the cost of long-term care by roughly half. By bringing up the cost, you can help her get on the same page about long-term care expenses as they relate to her care plan.
Who would help manage or provide care should you need it?	This will help you and your client get on the same page about her care and discuss options.

77 million
Americans

in the working-age population identify
as unpaid family caregivers, **and**

80%

of them are working
full time.⁴

Care spotlight

For your female clients — especially those who have not had personal experiences with caregiving — it's important to discuss the best way for them to support those in need. There's a distinct difference between being a caregiver and managing care. While it's natural to want to help our loved ones in whatever way we can, women tend to have more desire to nurture than men.⁵

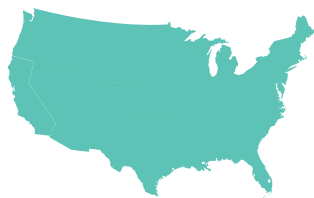
One way for women to stay involved in a loved one's care needs is to supervise care rather than be responsible for providing care. Overseeing care is a vital role that allows the loved one to ensure that the care provided aligns with their loved one's care plan. It is a great way for your female clients to stay involved in their loved one's care while avoiding having to become a caregiver.

Responsibilities of a care supervisor may include: scheduling doctor appointments, providing or scheduling transportation services, helping with grocery shopping and managing finances. Perhaps one of the most important aspects of overseeing care is being a loved one's advocate within health care settings to ensure that they are being cared for properly and that all aspects of their care plan are being followed.



⁴ LIMRA: What are the financial needs of family caregivers, July 2019.

⁵ Lincoln Financial Group and Versta Research, Long-Term Care Research: Findings from Surveys of Advisors and Consumers, September 2017.



Whatcarecosts.com is a free, interactive tool that provides cost of care in your area.

Budgeting for long-term care

Talking about the cost of care is crucial for your female clients who are thinking about building a plan, whether by themselves or with their spouse. Their LTC budget will vary depending on the type of care they wish to receive and the region of the country they live in. Long-term care costs vary greatly by state, and in some cases, by ZIP code.

Care needs may also evolve over time. For instance, an individual may start out in an assisted living community but as they require more care, may need to move into a skilled nursing facility. Although it's difficult to know what the future will hold, advisors can help their clients think about various scenarios and include multiple solutions within their overall plan.



National average annual cost of care⁶

In-home care	
Certified home health aid	\$70,080 (8-hour day)– \$140,160 (16-hour day)
Registered nurse	\$50,005 (1 visit per day)– \$110,010 (2 visits per day)
Assisted living	
Studio	\$49,632
1-room	\$56,760
2-room	\$61,776
Skilled nursing facility	
Semi-private room	\$92,710
Private room	\$105,485

Long-term care funding options

Having a funding solution to cover care costs plays an important role in your female clients' overall financial plan and can help them protect their assets from out-of-pocket long-term care expenses. As their financial professional, you can show them available options and help them find a solution that fits their needs. Hybrid solutions — which are life or annuity products with long-term care riders — have been growing in popularity over the years since they are designed to meet multiple client needs. Some hybrid solutions can provide long-term care benefits if they are needed or give the client an income stream, death benefit or return of premium option if LTC benefits aren't needed. Certain solutions in the market even provide policy holders with concierge-like services to help them identify and research care providers in their area.

⁶LTCG, "2018 Lincoln Financial Cost of Care Survey," March 2018, <https://www.whatcarecosts.com/lincoln>.
For a printed copy, call 877-ASK-LINCOLN.

Next steps

While it may take some time and effort to understand your female clients' specific needs and wants, it will be well worth it. They will appreciate and value your suggestions, guidance and support as they prepare for the future of their spouses, loved ones and themselves. We hope the information and research we've offered here is beneficial as you plan your upcoming female client conversations. To get started, make a list below of some of your female clients who would benefit from an LTC conversation.

1. _____ ☐
2. _____ ☐
3. _____ ☐
4. _____ ☐

Lean on Lincoln As a market leader in long-term care funding solutions for over 30 years, we believe in the importance of education and planning. We know advisors can make a positive impact in the lives of clients by tailoring a financial plan to meet their needs.



Leverage our expertise and planning resources with your clients today. Contact your Lincoln representative for more information.

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