

## Short-Term Care Insurance



A little-known insurance option can be an answer for some people who might need care but are unable to buy long-term care insurance. Short-term care insurance provides coverage for nursing home or home care for one year or less.

As long-term care premiums rise, short-term care insurance is gaining in popularity. This type of insurance is generally cheaper than its long-term care counterpart because it covers less time. Purchasers can choose the length of coverage they want, up to one year. According to the American Association for Long-Term Care Insurance, a typical premium for a 65-year-old is \$105 a month and for a 70-year-old, it is \$141 a month.

People who cannot qualify for long-term care insurance because of health reasons may be able to qualify for short-term care coverage. This kind of insurance does not usually require a medical exam and sometimes only has a few medical questions on the application. Another benefit of short-term care insurance is that there usually is not a deductible. The policies begin paying immediately, without the waiting period usually found in long-term care policies.

Short-term care policies are not the answer for everyone, however. They may not cover all the levels of care that a long-term care policy would cover. As with any insurance product, buyers need to make sure that they understand what coverage they are purchasing. These policies are also not regulated to the same extent that long-term care insurance policies are, so there are fewer consumer protections.

Short-term care policies may be beneficial for individuals who waited too long to purchase long-term care insurance (short-term care can typically be purchased up to age 89). They can also help fill gaps in Medicare coverage or cover the deductible period before long-term care insurance begins paying. The policies may also be appealing to single women because there is no price difference for women and men, as there is for long-term care insurance.