

Ingrid M. Evans
Attorney



Tips on Protecting Yourself From Elder Financial Abuse

*By Ingrid Evans, Attorney
The Evans Law Firm
Visit us Online at www.evanslaw.com*

For more information or to speak to an attorney, please contact info@evanslaw.com or call us toll free 888.503.8267 for a free and confidential consultation.

LONG-TERM CARE

Unscrupulous Agents Target Seniors for Improper Long-Term Care

Be careful of long-term facilities that do not meet your needs or are misrepresented. Also, be careful of long term care insurance companies that are raising rates it cost prohibitive for you to continue owning a particular policy.

Long-Term Care - What YOU Can do to Protect Yourself

There are a number of things you can do to protect yourself from fraud when selling your life insurance policy.

- **Do Some Long Term Care Research**
- **Ask** the financial professionals involved in your long term care policy about how long-term care works and how your settlement will help you. Make sure the policy is consistent with what the agent says. If the policy does not say it, then it does not exist and it will not help you.
- **Ask** for long term care consumer brochures.
- **Ask** the financial professionals involved in your long term care policy what their commissions will be.
- **Consult an attorney** if there is anything that seems suspicious or if your rates have been increased significantly, www.evanslaw.com or info@evanslaw.com
- **Consult websites and resources related** to senior financial planning to learn about long term care.
- **Discuss** your options with an independent financial planner.
- **Always have a close friend or family member to consult** with when making decision concerning financial products like life insurance. Most importantly, have a *reputable* financial planner review your long-term care policy to see if it is appropriate for you.
- **Check Your Long-Term Care Insurance Agent's Credentials** - Some resources you can use to research the broker:
 - State Departments of Insurance such as the [California Department of Insurance](http://www.insurance.ca.gov)
 - The internet - use any major search engine such as [Google](http://www.google.com) or [Yahoo!](http://www.yahoo.com)

THE EVANS LAW FIRM

MAILING ADDRESS 3053 Fillmore Street #236, SAN FRANCISCO, CALIFORNIA 94123
TELEPHONE 415-441-8669 TOLL FREE TELEPHONE 888-50EVANS (888-503-8267) TOLL FREE FAX 888-891-4906
EMAIL Ingrid@Evanslaw.com WEBSITE www.evanslaw.com

Watch out for life insurance agents who use phony certifications that misrepresent their actual qualifications. Sometimes more subtle tactics are used, but real scare tactics are effectively used because they motivate many seniors to buy coverage.

Long-term care policies pay the cost of the day-in, day-out care for a person with an acute or long-term illness or disability. Many seniors receive this care in nursing homes, but more effective and less expensive care at home and at adult day-care centers is growing in popularity, because it is less expensive and still provides the security of a longstanding home. That is the theory, but in practice long-term care policies are often riddled with loopholes that do not adequately protect a senior's life savings. Some policies have such strict disability criteria that many policyholders who need help do not qualify for benefits. Add to this cauldron of conflict the insurance company's sales commission structure. Insurance agents are loath to disclose policy pitfalls when it means risking the loss of a commission equal to life insurance commissions of 30 percent to 65 percent of the first year's premium, far more than the typical 10 percent commission many auto insurance agents earn.

Helpful Hits to Consider Before Purchasing a Long-Term Care Policy

- **Always check with several companies and agents**
It is wise to contact several companies (and agents) before you buy. Be sure to compare benefits, the types of facilities you have to be in to receive coverage, the limitations of coverage, the exclusions, and, of course, the premiums.
- **Take your time and compare outlines of coverage**
Never let anyone pressure or scare you into making a quick decision. Do not buy a policy the first time an agent comes calling. Ask the agent to give you an outline of coverage. The outline of coverage summarizes the policy's benefits and highlights important features. Compare outlines of coverage for several policies.
 - **Understand the policies**
 - **What qualifies you for benefits?** Some insurers say you must be unable to perform a specific number of the following activities of daily living: eating, walking, getting from bed to a chair, dressing, bathing, using a toilet and remaining continent.
 - **What type of care is covered?** Does the policy cover nursing home care? What about coverage for assisted living facilities that provide less client care than a nursing home? If you want to stay in your home, will it pay for care provided by visiting nurses and therapists? What about help with food preparation and housecleaning?
 - **What will the benefit amount be?** Most plans are written to provide a specific dollar benefit per day. The benefit for home care is usually about half the nursing home benefit. But some policies pay the same for both forms of care. Other plans pay only for your actual expenses.
 - **What is the benefit period?** It is possible to get a policy with lifetime benefits but this can be very expensive. Other options for coverage are from one to six years. The average nursing home stay is about two and a half years.
 - **Is the benefit adjusted for inflation?** If you buy a policy prior to age 60, you face the risk that a fixed daily benefit will not be enough by the time you need it.
 - **Is there a waiting period before benefits begin?** A 20 to 100 day period is not unusual.

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- **Do not be misled by advertising or endorsements by celebrities**
Most of these people are professional actors who are paid to advertise. They are not insurance experts.
- **Accurately disclosing your medical history is extremely important**
Make sure you fill out the application completely and accurately. If an agent fills out the application for you, do not sign it unless you have read it and made sure that all of the medical information is correct. If information about the state of your health is misstated, incomplete, or wrong, the company will refuse to pay your claims and cancel your policy. For that reason you should always fully and completely explain the full extent of your medical condition.
- **If you are unsure about any particular item be sure to state - *Do not recall***
And as a catch-all to protect yourself, always refer the carrier to your doctors' records of the care provided to you and list the names and address of your doctors.
- **Pay premiums automatically**
It may be a good idea to have premiums automatically deducted from your bank account and paid electronically by your bank. Should an illness delay or prevent paying your statements on time, your coverage will not lapse.

Keep the policy in a convenient place where you or anyone else can readily find it, and tell a trusted friend or relative where it is.

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About The Evans Law Firm

The Evans Law Firm is a plaintiffs' firm concentrating on elder abuse (physical and financial), consumer fraud class actions involving, particularly insurance and banking claims, consumer product liability and personal injury/wrongful death cases, particularly asbestos-mesothelioma, pharmaceutical product liability, negligence personal injury claims, as well as qui tam (whistleblower/false claims) and employment discrimination litigation.

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