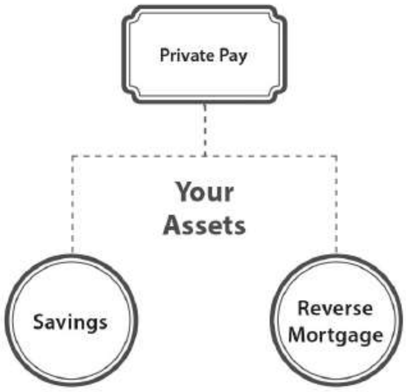
1) Private Pay



There are a variety of ways to pay for long-term care costs. The first is from your own assets.

Savings

One of the main reasons people create a retirement nest egg is to have money for medical expenses that occur later in life. While this plan may work for some, for most Americans, it raises a few concerns.

First, long-term care is very expensive. A year or two in a nursing home can use up the savings most Americans acquire over a lifetime.

Another major concern applies to married couples. One person's illness can wipe out the accounts, followed by their death. Then, as the surviving spouse is grieving, they also realize that the rest of their retirement years are now restricted to whatever might be left for them rather than the comfortable plans they originally made. When this surviving spouse becomes ill, now with a reduced nest egg, the result is devastating.

Savings, IRAs, 401ks, 403bs, brokerage, and other accounts can and should be used to help pay for long-term care expenses. However, it can be wise to minimize the risks of this spending by tapping into other means of paying for long-term care costs.