

How to Talk to Clients About LTC Planning

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We all take delight in planning for vacations and holiday celebrations but when it comes to planning for old age, we literally run the other way. Aging and death only happen to other people, and therefore we don't need to talk about it – at least not yet. Why is this? The reasons are straightforward:

- “It won't happen to me”
- My spouse will look after me
- The kids will look after me

So how can you get your clients to talk about the challenges around aging – something that absolutely must be addressed by us all? There is a way but it takes work, perseverance and a belief that it's the right thing to do.

The market is there:

- The 80+ age group is the fastest growing in North America
- 600+ people turn 65 every day
- Almost 50 percent of those over 65 will need long term care during their lifetime

So let's get going.

Step one: You the advisor need to understand the aging process and what comes with the territory. You need to know what constitutes long term care and what Activities of Daily Living (ADLs) mean.

Step two: You need to understand the health care system. What care services are available? What housing options exist? How much do all these cost?

Step three: You need to understand what financial options are available – including disability, critical illness and particularly long term care insurance. In addition you need to know how to explain these products and how they offer solutions for your clients.

Step four: Plan your presentation carefully. Be prepared to ask lots of questions. Talk with your clients and prospects about their personal family histories. Ask if they have been family caregivers. Find out about the histories of their friends' parents; this provides additional background to understanding their concerns. Also, other concerns—and prospects—are uncovered by asking about their families' experiences with disability, stroke, depression and Alzheimer Disease.

Step five: Develop and use a process through which you walk your clients to arrive at a plan which can then be updated regularly.

Step Six: Realize that it can be a difficult, emotional conversation for both sides. You are in fact forcing your client to visualize the last years of his life and then make decisions about this great unknown.

Sales tip: Remain upbeat at all times and position yourself as a problem solver and financial expert. Avoid instilling gloom and doom in your clients and prospects; this may be a turnoff and may cause them to procrastinate or avoid doing anything.

Whom should you be talking to?

- People who are 45+
- women who are the most at risk for needing long-term care
- Self employed people with no pensions
- High-net-worth individuals who need to protect their substantial assets

One caution: Long term care planning isn't just about money. It also involves the completion of legal documents such as living wills and powers of attorney. The time has come to realize we are all responsible for our own "Frailty Planning". The best time to do this is before the time of need, while your clients are still young enough and healthy enough to medically qualify for the any financial products they may wish to purchase. How do you talk to your clients about long term care planning? As the saying goes: Just do it!