

USAA Survey Finds Americans Underestimate Cost, Potential Need for Long-Term Care; Questions to Ask Before Purchasing Long-Term Care Insurance

SAN ANTONIO--(BUSINESS WIRE)--Jan. 11, 2005--A new survey finds that only one quarter of U.S. adults believe they are likely to need long-term care, despite predictions from independent organizations that half of the American population is likely to need some form of this specialized and potentially costly health care service.

USAA, a diversified financial services company for military members and their families, commissioned the survey to determine how much consumers understand about the costs associated with long-term care.

Survey Findings	Reality
48 percent believe assisted living or nursing home care costs less than \$30,000 a year.	Annual nursing home expenses cost an average of \$55,000 in 2000, and are projected to be \$241,000 per year in 2030.
23 percent think all of their long-term care needs will be met through federal programs, such as Medicare and Medicaid.	Medicare, Medigap, and regular health insurance do not cover long-term care. Medicaid coverage is limited, and the services it covers vary by state.

"Long-term care is costly, and research shows that while more than half of the population will likely need it, only 35 percent of adults have purchased, or considered purchasing, long-term care insurance to help cover these costs," said Kristi Matus, president of USAA Life Insurance Company.

Americans -- especially those over age 50 -- should consider the following questions to help determine their potential need for long-term care insurance:

- Do you have a family history of chronic illness such as arthritis, Alzheimer's disease, stroke, dementia, or Parkinson's disease?
- What assets do you have to pay for long-term care, if you need it?
- How long would your savings last if you were faced with paying the cost of long-term care by yourself?
- Who will take care of you -- or your parents -- if long-term care is needed? Would you like to have other choices?

Long-term care insurance provides coverage for care in a nursing facility, private home, adult day-care facility, or assisted living arrangement. For more information on long-term care insurance,