

The American Association for Long-Term Care Insurance

2019 Long-Term Care Insurance Price Index

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A couple in their mid-50s purchasing new long-term care insurance coverage can expect to pay just over \$3,000 for a potential combined benefit of over \$770,000 in coverage should they begin needing care at age 85.

According to the just-released 2019 Long-Term Care Insurance Price Index prices for coverage have increased slightly compared to the prior year. The American Association for Long-Term Care Insurance released initial data from its annual pricing study that has tracked costs data for over two decades.

“In general costs increased slightly compared to our 2018 analysis, but for many insurers there was no increase compared to the prior year,” reports Jesse Slome, director of the [American Association for Long-Term Care Insurance](#) (AALTCI).

According to the Association’s 2019 Price Index, the average annual premium for a 55-year-old couple was \$3,050. For a single male, age 55, the average cost reported is \$2,050. For a single female the average cost is \$2,700. “Married couples often benefit from a significant spousal discount,” Slome explained. Married couples or older adults living together purchase the majority of long-term care insurance policies the Association director notes.

Costs For Virtually Identical Coverage Vary More Significantly Than Prior Years

The spread between the lowest and highest cost for virtually identical coverage was as high as 243 percent according to AALTCI’s 2019 Price Index analysis for 55 year olds. “This is the largest spread I can recall in recent years,” Slome notes. “It’s rare to see one policy costing more than twice another policy when both are large insurers but each company gets to set their own pricing and each has their own target market,” he adds.

For the first time, the Association’s Price Index included some planning and savings strategies. “There are smart ways to protect yourself and save money that agents may fail to suggest or consumer fail to take advantage of,” Slome noted. For example, Slome recommends married couples look into the shared care option where one spouse can use the benefit pool of the other. “Or, consider a two (2) percent inflation growth option instead of the three (3) percent which can save nearly 20 percent yearly,” he adds. These features are not offered by all insurers the Association points out making comparison shopping vital.

The Association’s website offers consumers free access to read informational guides on long-term care planning. To obtain [long term care insurance costs](#) from a professional with expertise specifically in long term care insurance products offered by multiple leading

companies call the national organization at (818) 597-3227 or visit the Association's website at www.aaltci.org.