Increase Your Long Term Care Insurance Benefits Overtime by Kaycee Bishop

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If youâ€™re wondering why long term care (LTC) experts and elder care specialists keep telling people buy your LTC insurance policy early, the reason is simple. They want to protect you from the high cost of care as this is expected to go higher in the coming years.

Perhaps youâ€™re thinking why are these people rushing you to clinch a policy when you can do it later when you start to feel something weird happening to your body. For instance, your doctor said youâ€™re manifesting symptoms of osteoporosis and diabetes.

Unfortunately, you cannot apply for a policy anymore once youâ€™ve developed a chronic illness because the insurance company will decline you. If it wonâ€™t decline your application, chances are it will charge you a higher premium rate for your coverage.

Thatâ€™s exactly why you and the rest of the uninsured in the country are advised to check out your options now while you are young, healthy and financially stable.

If you decide to buy your LTCI policy next year, you are at risk of paying a higher premium because insurance companies are very particular about oneâ€™s health. Would you believe that some policyholders have been subjected to higher premium rates because they are overweight and showed signs of obesity?

Your health should be in tiptop condition in order for you to be able to avail the 10% to 15% good health discount of your policy. Aside from premium discounts, buying your long term care insurance (LTCI) policy earlier than 55 or 65 years old will also guarantee you years of big tax deductions.

For example, policyholders from 40 to 50 years old were able to deduct $640 of their LTCI premiums in 2011, but 2012 ushered in higher deductibles and so the eligible LTCI premium that can be deducted from a 40-year-oldâ€™s income tax return had been increased to $660.

Other Reasons You Should Buy Your LTC Insurance Policy Early

Buyers of LTCI policies are advised to integrate into their policies an inflation protection rider to ensure that their insurance benefits will keep pace with the cost of care.

No matter how high the maximum benefit amount of your policy, it will not get you too far if you do not have an inflation protection. Truth is, LTCI representatives tell those individuals who want to lower their annual premiums to cut back their benefit amount but not the rate of their inflation protection rider.

With an inflation protection rider, particularly the 5% annual compound inflation protection, the initial amount of your maximum daily benefit amount will double in 10 yearsâ€™ time. If you secure a policy with a n initial maximum daily benefit amount of $175 at the age of 45, rest assured that this amount will be $350 or even higher by the time youâ€™re 55.

Indeed, you can look forward to a lot of perks if you buy your LTC insurance policy early. As years go by your LTCI policyâ€™s benefit amount will just continue to increase. It will only cease to go higher once youâ€™ve satisfied your policyâ€™s benefit triggers and actually started to receive your insurance benefits.

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