How Does a HECM Help with Long Term Care?

Use a HECM Line of Credit to:

- Help fund long-term care insurance premiums
- Pay for out-of-pocket expenses and deductibles
- Fund long-term care expenses or emergencies if you do not qualify for insurance
- Pay for home modifications to help “age-in-place”

Did You Know?

- Someone turning age 65 today has almost a 70% chance of needing some type of long-term care services and supports in their remaining years[1]
- Women generally need care longer (3.7 years) than men (2.2 years)[1]
- One-third of today’s 65-year-olds may never need long-term care support, but 20 percent will need it for longer than 5 years[1]
- 45% of persons aged 70-79 are turned down for Long Term Care insurance[2]
- There can be significant out of pocket expenses, even with Long Term Care Insurance
- If you qualify for Medicaid, (in NY, Medicaid can provide in-home care) the state might enforce “estate recovery”, wherein the state must attempt to recoup from your estate, after you die, (unless your home is exempt under the rules) whatever benefits it paid for your care[3]

HECM vs. Long Term Care Insurance

- Most medical expenses are emergencies. A Home Equity Conversion Mortgage (HECM) provides a standby backup line of credit that will grow over time, and if used, does not need to be repaid until the home is vacated by the last borrower.
- For a married couple, one of the spouses may live in the house while supporting the temporary or permanent long-term care of the other spouse in a nursing or assisted living facility.
- Unlike supplemental insurance which can have limitations on coverage, proceeds from a HECM can be used for any purpose. Long Term Care insurance is limited by the options selected by the policy holder and stops paying when certain policy maximum expenditures are reached. A HECM can help bridge monthly budgets when these expenses arise.
- You can use a HECM to finance Long Term Care insurance premiums, pay out of pocket expenses, or if you do not qualify for insurance or wish to fund such care yourself, use the HECM proceeds to cover these costs.

[1] Source: longtermcare.gov
[2] Source: American Association for Long-term Term Health Care 2015 policies
[3] Always talk to an elder care lawyer before using Medicaid for long-term care

CONTACT ME

If you would like to discuss the HECM product and how it could help you, please call or email me, or visit www.jmcapitalreverse.com for more information.

ST. JOHN BANNON

J.M.Capital Group LLC

J.M. CAPITAL GROUP LLC
Mortgage Specialists

(917) 518-6972

st.john.bannon@jmcapgroup.com
www.jmcapitalreverse.com
NMLS # 149880

Company Address:
20 Broadhollow Rd, Suite 2008b
Melville, NY 11747
Company NMLS # 12890

EQUAL HOUSING LENDER

NMLS