

Managing Your Long-Term Care Insurance Company

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is brought to you by**

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The legal team at the Hook Law Center, P.C. has noticed that many of our clients have had difficulty getting benefits under their long-term care insurance policies. These disputes have often related to the interpretation of a policy when language is unclear or ambiguous. Although occasionally it is necessary to employ an experienced elder law attorney when negotiating and managing a long-term care insurance policy, the best practices discussed in this article will hopefully help you avoid legal fees and lost benefits.

I. Actively Manage The Policy During A Policy Transfer

Since 2008, some insurance providers have experienced corporate transitions, dissolutions, and bankruptcies. Occasionally, a specific set of policies is transferred from one company to another during a corporate transition. When this happens, be sure to properly document the policy's transition from one company to another.

Usually, the new company will have the same rights and obligations as the prior company, since the policy will have only been "assigned," and therefore has not been contractually altered. However, any paperwork regarding the transfer may include "fine print" which is important to review with a critical eye. Sometimes a state insurance bureau will allow a company receiving a policy during a transfer, known as the assuming company, to raise the premiums on the policy in order to ensure that the set of policies has sufficient liquidity coverage.

II. Watch The Rating Of The Company

Although over a hundred companies in the United States offer long-term care insurance, only a fourth of these companies have healthy financial strength ratings. There are also numerous ratings agencies, the foremost of which are A.M. Best, Moody's, and Standard & Poor's. It is a good idea to review the financial strength of the company underwriting your long-term care insurance policy. This should be done at least once a year. If a company has a dramatic ratings change, it is possible that it is experiencing a financial crisis. This could lead to a transfer of your long-term care policy to another company. The earlier you learn of the potential bad news, the more time you have to adjust your plans around it.

III. Document With Whom You Are Speaking And What They Specifically Say

As with any legal contract, usually a long-term care policy is interpreted solely through the written words of the policy itself. Thus, when a representative

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tells you something about a policy, make sure they explain where in the policy it specifically states their position. Be sure to write down these statements as well, so that if an attorney has to review your matters, you can properly document what was said or not said. Moreover, some long-term care insurance companies now allow a policy holder to email them their questions.

IV: A Closing Comment

Please note that our experiences with long-term care insurance have been positive overall, and we still believe that it is a good product for many people - as long as the policy fits into the overall financial plan of the client and is underwritten by a strong company. Long-term care is incredibly expensive when paid for out-of-pocket, and it is hard to predict the political climate and future legislation which could alter federal benefits programs. However, it is important to consider utilizing an attorney to make your initial claim for benefits under a policy. Even if you are already in an assisted living facility, a company can claim that you are not impaired to the extent necessary for benefits to accrue under the policy. An attorney may be helpful when you transfer from one form of care to another. For example, even if you are already receiving benefits for in-home care coverage, a company may claim that an additional exclusionary period applies when you transition to an assisted living facility. It is usually much more beneficial to enlist an attorney prior to a claim for benefits than after it has been filed.



Truth about Animal Shelters – Part 1

Hook Law Center: Kit Kat, can you dispel some myths about animal shelters?

Kit Kat: Why, yes, I'd be happy to do that. First of all, many people think that all animals at shelters are old. That is really a big whopper of untruth! There are a range of ages at shelters--from kittens and puppies to senior pets who are over 10 years old. According to Ayse Dunlap, Director of Operations for the Cleveland Animal Protective League (APL), the time of year has a lot to do with it. In winter, there are fewer births of kittens and puppies, so if you want one of those, spring or fall is a better time. At all times of the year, there are many animals to choose from who would love to have their own home. That's nice to know because that's just common sense!

Second, there's a myth floating out there that the personnel at shelters don't really know much about pets. That couldn't be further from the truth! The staff at shelters includes veterinarians (though part-time in many cases), technicians, behaviorists, and many volunteers who just love animals.

Third, some think that shelters only have cats and dogs. This, too, is another myth! It depends on the shelter, but many have other small animals such as gerbils, rabbits, and guinea pigs. Check with the shelters in your area to determine what pets are available. Some shelters even post pictures of available pets online.

We'll continue this discussion next time.

(<http://shine.yahoo.com/pets/busting-animal-shelter-myths-174700242.html>) (12-11-2013)

Upcoming Events

- Shannon Laymon-Pecoraro, Esq. will speak at the Parkinson's and Caregivers Coffee Break on medical/legal issues concerning elders and those with significant health issues. The coffee break will take place at St. Andrew's United Methodist Church, 717 Tucson Rd., Virginia Beach, VA 23462 on **February 5, 2014** from 10AM-12:00PM.
- Hook Law Center is a sponsor of the American Heart Association Ball which will take place on **March 8, 2014** at the Norfolk Botanical Gardens. For event information, contact Stephanie Phipps at 757-628-2608
- Hook Law Center will be presenting a live webinar on POAs, AMDs and the Ethics of It All in Charlottesville, VA on **April 10, 2014**. This webinar will be hosted by Virginia Continuing Legal Education.
- Shannon Laymon-Pecoraro, an attorney at Hook Law Center, is a member of the advisory board of the Hampton Roads Chapter of the American Parkinson Disease Association. Please visit our website if you have any questions about this event on **April 12, 2014**.

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