

Planning for Long Term Care

CANHR is a private, nonprofit 501(c)(3) organization dedicated to improving the quality of care and the quality of life for long term care consumers in California.

Planning for Long Term Care (LTC) is vital to save time, money, and stress. Such planning can seem intimidating. It will seem less so if you and your family approach it one step at a time. Use the following checklist to aid you in your planning.

Healthcare Needs

- Determine the appropriate type of care.
 - In other words, where should the person be? Should the person receive care at home, in a Residential Care Facility for the Elderly (RCFE), in a nursing home, or some other facility?
 - The person's physician should give guidance as to the appropriate level of care. Physician's orders are a prerequisite to nursing home admission.
- Find appropriate long term care facilities.
 - Identify local RCFEs on CANHR's [ResidentialCareGuide.org](http://www.canhr.org/ResidentialCareGuide.org) website. Consult CANHR's website or contact CANHR for additional information on RCFEs.
 - Consult CANHR's [Nursing Home Guide](http://www.canhr.org/NursingHomeGuide), to learn about nursing homes in your community. You can search for nursing homes by name, location, acceptance of Medicare/Medi-Cal, and specific medical need. You can also view the inspection record for each facility.
 - Educate yourself.

Start with CANHR's website, www.canhr.org. In addition to nursing home and residential care information, it contains extensive information on many long-term care resources.

Financial Considerations

- Obtain a complete financial picture.
 - Inventory all assets in the person's estate: cash, investments, annuities, CDs, IRAs, and work-related pensions. If the person owns real property, determine the nature of ownership (sole ownership, joint tenancy, etc.). If the person has life insurance, determine the cash surrender value, if applicable. Determine the person's monthly income.
- Determine how to pay for LTC.
 - The average cost of nursing home care is about \$6000 per month. While this is steep, privately paying for even a short time can increase the chances of admission.
 - Medicare may cover up to 100 days of skilled nursing care. HMOs and other health plans may offer LTC coverage. Purchasing LTC insurance may also be an option. For questions about Medicare, HMOs, and LTC insurance, contact HICAP (Health Insurance Counseling and Advocacy Program) at 1-800-434-0222 or www.cahealthadvocates.org.

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- Medi-Cal, California’s Medicaid program, can help cover the cost of care at home or in a nursing home. With very limited exceptions (see CANHR’s [Fact Sheet on the Assisted Living Waiver Pilot Project](#)), Medi-Cal does not cover the cost of RCFE care. The IHSS (In Home Supportive Services) program can help pay for a caregiver at home. CANHR provides extensive information about [Medi-Cal](#) and IHSS eligibility (see CANHR’s [Fact Sheet on IHSS](#)) requirements.

Capacity Considerations

- Determine the person’s mental capacity.
 - Can the person make his or own decisions? If the person’s mental capacity isn’t obvious, seek the opinion of a physician.
- Obtain DPAs or a conservatorship.
 - If the person still has mental capacity, consider arranging for a Durable Power of Attorney (DPA). A DPA ensures that someone can make legal decisions for a person in the case of incapacity. There are two main kinds of DPAs: the DPA for Finance and Property (See CANHR’s [Fact Sheet on DPA for Property](#)), and the DPA for Healthcare, which is also called an Advanced Healthcare Directive (see CANHR’s [Fact Sheet on DPA for Health Care](#)).
 - If the person does not have mental capacity, a conservatorship (see CANHR’s [Fact Sheet on Conservatorship](#)), may be necessary. A conservatorship is a procedure whereby a court appoints someone to manage the person’s affairs. Conservatorships can be costly; if possible, DPAs should be established before loss of capacity.
 - In some situations, a living trust can empower a person to act as an individual’s agent. For questions about these issues, talk to your attorney, or contact CANHR for a referral.

Legal Considerations

- Plan the estate.
 - Planning for LTC is a chance to plan the estate. Make sure that any wills, trusts, and other legal documents are up-to-date and applicable. CANHR staff can help answer questions about financial options, but we cannot plan your estate.
 - If you wish to plan and protect your estate, CANHR can refer you to a qualified lawyer in your area. Call 800-474-1116 or visit CANHR’s website for the only State Bar certified [Lawyer Referral Service](#) in California specializing in long term care.