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## **METLIFE MATURE MARKET INSTITUTE’S LONG-TERM CARE IQ SURVEY SHOWS LIMITED KNOWLEDGE ABOUT LONG-TERM CARE MISCONCEPTIONS AROUND FINANCING AND NEED PERSIST**

**New York, NY – September 29, 2009** – Overall, Americans did not do well on a survey of their long-term care knowledge. Most know what long-term care is and how much it costs, but their scores fall short regarding how many people will need it and how they will pay for it. The *MetLife Long-Term Care IQ Survey*, taken by 1,021 individuals aged 40 to 70 in 2009, compared results with a similar 2004 study. The respondents’ overall score was 52%, unchanged since 2004; and only 21% scored 70% or higher. The study reveals that most are not taking appropriate steps to protect themselves from potentially catastrophic expenses.

According to the study:

- Just about four in ten (36%) know that 60% – 70% of 65-year-olds will require long-term care services at some point in their lives.
- Just over one-third know that most long-term care services are received at home. While the number of respondents answering correctly (37%) increased since the 2004 survey (18%), awareness is low overall.
- Older people (over 60) are more knowledgeable about long-term care than younger people (40 to 49).
- Fewer than half (45%) are aware that one in five American households care for an adult family member or loved one.
- Few are taking action to protect themselves from such potentially catastrophic expenses; only 18% know long-term care insurance rates are based on age, but almost nine in ten (87%) are aware that a comprehensive long-term care policy covers home, assisted living and nursing home care.

<b>Popular Myths vs. The Facts on Long-Term Care</b>	
Myth	Fact
Most long-term care is provided in a nursing home.	Most long-term care is provided at home.
Medicare, health insurance and disability insurance pay long-term care expenses.	Long-term care insurance is the only form of private insurance that pays long-term care expenses.
You can immediately qualify for Medicaid to pay for long-term care by transferring assets to family.	Upon application, the state will “look-back” over five years to see if assets were transferred for less than fair market value. If so, application may be denied.
Family history, income and age are all primary factors in calculating long-term care insurance premiums.	Age is a primary factor in calculating long-term care insurance premiums.

“While long-term care knowledge has increased in some areas since 2004, serious and potentially costly misconceptions remain,” said Sandra Timmermann, Ed.D., director of the MetLife Mature Market Institute.

“Many middle-aged and older Americans fail to grasp long-term care’s fundamental concepts, setting the stage for difficulties in the future,” said Dr. Timmermann. “Still others mistakenly believe they will be covered by resources that do not pay for such care. And, there is the common misconception that ‘this won’t happen to me.’”

“As people plan for retirement, they need to consider not only how much income and savings they will need to last a lifetime, but also how they would pay for ongoing care should they develop a chronic condition or serious illness,” said Dr. Timmermann. “Without adequate savings or long-term care insurance, the cost of care can potentially derail a financial plan and put retirement at risk. The need for long-term care can occur at younger ages as well, so it’s especially important to begin the planning process early.”

Other key research findings include the following:

- Eight in ten respondents (85%) understand that long-term care could have many causes, such as Alzheimer’s disease, an accident or a chronic or disabling condition.
- More than four in ten (43%) are able to correctly identify the national average monthly cost for assisted living.
- Two-thirds (66%) are unable to identify which programs or insurance policies pay for long-term care.
- More than six in ten (64%) are aware that transferring financial assets to your family would not allow you to qualify immediately for Medicaid payment of long-term care.

Though chronic disability can occur at any time, the demand for long-term care increases dramatically with age. About 70% of people over age 65 will require at least some long-term care services during their lifetime. As the U.S. population ages, the percentage of people older than 65 will increase from about 13% in 2009 to 20% in 2040. Part of the projected increase is due to an increased life expectancy beyond age 65. Long-term care can be provided in a nursing home or assisted living facility, but most care is provided at home.

To help consumers increase their knowledge about long-term care, the MetLife Mature Market Institute offers an informational guide, *The Essentials: Long-Term Care Insurance*, which is available for download at [www.maturemarketinstitute.com](http://www.maturemarketinstitute.com). The publication was produced to help people better understand long-term care and long-term care insurance. It covers such topics as the types of long-term care available, financing and the various options available within long-term care insurance policies.

## **Methodology**

The *MetLife Long-Term Care IQ* Survey was administered online to 1,021 participants in February and March of 2009 by GfK Customer Research North America. Participants were aged 40 to 70 and were the co- or primary financial decision-maker in their household. A similar study was conducted in 2004.

## **About the MetLife Mature Market Institute**

Established in 1997, the Mature Market Institute (MMI) is MetLife’s research organization and a recognized thought leader on the multi-dimensional and multi-generational issues of aging and longevity. MMI’s groundbreaking research, gerontology expertise, national partnerships, and educational materials work to expand the knowledge and choices for those in, approaching, or caring for those in the mature market.

MMI supports MetLife’s long-standing commitment to identifying emerging issues and innovative solutions for the challenges of life. MetLife, a subsidiary of MetLife, Inc. (NYSE: MET), a leading provider of insurance, employee benefits and financial services with operations throughout the United States and the Latin American, Europe and Asia Pacific regions. [www.maturemarketinstitute.com](http://www.maturemarketinstitute.com).

For a free copy of the *MetLife Long-Term Care IQ* Survey, call (203) 221-6580, e-mail [maturemarketinstitute@metlife.com](mailto:maturemarketinstitute@metlife.com) or download it from [www.maturemarketinstitute.com](http://www.maturemarketinstitute.com) under “What’s New.” You may also send a written request to the MetLife Mature Market Institute, 57 Greens Farms Road, Westport, CT 06880.

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