

Long Term Care Planning for a Family's Peace of Mind

by Mary Beth Frost

Patricia Francisco, a long term care planning specialist, has a very personal reason for choosing this line of work. Years ago, when long term care planning was rare, her 73-year-old father had a massive stroke. Suddenly, he couldn't speak or walk.

Like many, Patricia thought Medicare would cover the cost of his long recovery. Like many, she was wrong. "Eventually, the doctor met with us and said, 'We think your father has plateaued and won't improve much more, so tomorrow Medicare stops paying,'" Patricia recalls. "I said, 'Oh, okay, well . . . who pays?' The doctor looked at me almost indignantly and said, 'Your father pays.'"

Patricia's father, a retired firefighter, had a small pension, Social Security, and a modest savings account. "My mom took him home from the hospital and tried to be his caregiver 24-7, but it was just too overwhelming," Patricia says. Her mother reluctantly placed him in a nursing home for his last three years, which ate up most of their savings before he qualified for Medicaid.

Several years after Patricia's father passed away, her mother developed Alzheimer's and spent 10 years in a facility. "Difficult decisions had to be made because there was no plan in place," Patricia says.

A Mission

Patricia, a native of Duluth, graduate of UMD, wife, and mother of two daughters, was employed as a teacher for several years. Eventually, she worked as an administrative assistant for her husband Pat, at Patrick D. Francisco & Associates, a financial planning and investment advisory firm in Duluth.

Over time, Patricia saw that although their firm was confident in helping clients manage their money in the ups and downs of the stock market, there was no easy answer for



an extended care event that could wipe out a 401k.

She looked into long term care insurance (LTCI) and saw that it could have real merit for many as a planning tool. Driven by her own painful experience and equipped with training as a teacher, it became her mission to educate people. "My business just evolved after that," she recalls.

Today, Patricia is an independent consultant and certified Long Term Care Professional (LTCP) with almost 20 years of experience helping individuals and businesses develop long term care plans. She researches options, including "hybrid" life insurance policies with LTC benefits, to find the plan that makes sense for each client's financial situation, concerns, and goals.

Patricia provides her clients with facts about Medicare

and Medicaid, cost of care, and the many benefits—including tax breaks—for those who plan for their own care. “There is incredible tax deductibility in the workplace for business owners and employees,” Patricia says.

A Women’s Issue

Patricia says it is her job to help clients develop a written plan so that if the unthinkable happens, and someone in the family needs care for an extended period of time, their wishes are clear. Adding insurance to the plan takes the emphasis away from the financial concern and helps families focus on what is most important—finding the best care available.

There are many excuses Patricia hears for not planning, including, “I don’t think I’ll need care,” and “My kids will take care of me.” She steers the discussion towards the realities, including the fact that caregiving is often a women’s issue, in part because

women live longer.

She often refers to her business motto, “It’s not about you.”

According to Patricia, one of the best benefits of LTCI is that it gives the family permission to get help. “People have no idea how physically

and emotionally exhausting it can be to take care of someone who has had a stroke or is in advanced stages of Alzheimer’s,” she says. “It can rip families apart.” LTCI can ease the caregiving burden for families, relieve the guilt that so often accompanies the difficult decisions, and protect family harmony.

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The rewards

Patricia hears what motivates many to include insurance in their plan. A CPA told her he doesn’t mind paying his premiums because his sister-in-law’s care costs \$6000/month, and her LTCI pays every dime. A physician said he wants to be able to choose where he’ll get his care—at home, in the community or in a facility. A business owner told her he wants peace of mind in knowing that his plans for his business, family, and charities will continue uninterrupted if he needs care.

When the unthinkable does happen, and a family calls Patricia to initiate a claim, she has mixed feelings. “It’s a bittersweet time,” she says. “I don’t want to see my clients needing help, but knowing that the plans we set up are working, and seeing the gratitude from families, that’s rewarding.” ♣

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