

Educational Editorial

By KMH Financial Services, LLC

Quick tips

Wills and estate plans should be updated every 5 years.

Child Tax credit for 2021 is \$3,000 per child and \$3,600 per child under 6.

2021 cash donations are deductible up to 100% of your AGI

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What is Long Term Care Insurance(LTC)?

Many people believe that Medicare coverage will pay their health costs as they age. However, that's only partially true. Medicare doesn't cover Long Term Care if that is all you need. It only covers skilled nursing care for the first 20 days in a facility with several other requirements that must be met before qualifying. Medicare does not cover activities of daily living: help with bathing, dressing or getting in and out of bed. Long Term care insurance helps cover the cost of care that regular medical insurance doesn't cover especially if you want to stay in the comfort of your own home.

Why does this matter in your 50s and 60s?

The younger you are, the cheaper it is to buy a policy. Unlike other insurance, you can't wait until you need it to purchase a policy. LTC hybrid policies have also become very popular which is an LTC policy with a life insurance option. That means that if you don't end up needing the LTC portion of the policy, it becomes a life insurance policy.

