

# L O N G - T E R M

## c a r e

### What You Need to Know

## GLOSSARY OF TERMS

**Activities of Daily Living (ADL's)** – Every day functions and activities individuals usually do without help. The Activities of Daily Living include eating, dressing, bathing, toileting, transferring, and continence.

**Adult Day Care** – A program of social and health-related services provided during the day in a community-group setting for the purpose of supporting frail, impaired elderly or other adults with a disability who can benefit from care in a group setting outside the home.

**Adult Foster Care (A.F.C.)** – Smaller residential style settings usually ranging from 2 – 20 residents, where residents receive housing and some meals. Care is usually of a custodial nature with emergency medical assistance available.

**Assisted Living Facility (or Alternative Care Facility)** – A facility that is engaged primarily in providing ongoing care and related services to inpatients in one location and meets all of the following criteria:

1. Provides 24 hour-a-day care and services sufficient to support needs resulting from inability to perform Activities of Daily Living or Cognitive Impairment; and
2. Has a trained and ready to respond employee on duty at all times to provide that care; and
3. Provides three meals-a-day and accommodates special dietary needs; and
4. Is licensed or accredited by the appropriate agency to provide such care, if such licensing or accreditation is required by the state in which the care is received; and
5. Has formal arrangements for the services of a physician or nurse to furnish medical care in case of emergency; and
6. Have appropriate methods and procedures for handling and administering drugs and medicines and assisting in feeding and toileting.

These requirements are typically met by hospice care facilities or assisted living facilities that are either free standing facilities or part of a full care system. They are generally NOT met by individual homes or independent living units.

**Alzheimer's Care Center** – Specializes in the care of persons with Alzheimer's disease with more intense supervision of the patients and provides a safe and controlled environment.

**Assessment** – Evaluation of a person's level of physical or mental function, the type and extent of services available and needed.

**Attending Physician Statement (APS)** – May be required to provide additional medical information from a doctor when submitting an application for an insurance policy.

**Baby Boomer** – People born between the years of 1945 and 1964.

**Benefit Period** – The period of time that your long term care policy will pay benefits. This is usually represented by years of coverage, i.e. three years, six years or lifetime.

**Board and Care Homes** – Provide seniors with a room, meal, help with ADLs, and some degree of protective supervision. They are not usually certified by Medicaid, but are usually licensed by the state. Board and Care Homes are sometimes known as domiciliary care homes, personal care homes, community residence facilities, rest homes, and other similar terms.

**Caregiver** – The person providing care to someone with a chronic illness or disability. The caregiver may be an unpaid family member, friend or volunteer or a paid provider of home care and services.

**Care Manager** – A professional who can work with you, your family, and your physician to determine and monitor the appropriate Plan of Care, including assessment of your situation and investigation of available care resources.

**Care Plan** – A written plan of care developed by a health care professional after an assessment of a person with a chronic disease, or disability. The plan outlines the person's needs and the services and care options required to meet the needs. A care plan is used to ensure that the care and services are actually provided and appropriately coordinated.

**Chronically Ill** – Certified by a physician as being unable to perform at least two Activities of Daily Living for a period of at least 90 days due to a loss of functional capacity; or requiring Substantial Supervision to protect you from threats to health and safety due to Severe Cognitive Impairment.

**Cognitive Impairment** – A deficiency in a person's short or long-term memory, orientation as to person, place and time, deductive or abstract reasoning or judgment as it relates to safety awareness. There are varying degrees of cognitive impairment. Please refer to the definition of severe cognitive impairment.

**Comprehensive Policy** – A policy that pays long term care expenses in a home setting, an assisted living facility or nursing home facility.

**Congregate Housing Facilities (Home for the Aged)** – Dormitory-like settings where people live in the same building, occupy private rooms or apartments, and share some meals. Care is usually of a custodial nature, with emergency medical assistance readily available.

**Continuum of Care** – Care services ranging from independent living through home care, assisted living, nursing care (skilled and unskilled) and hospice.

**Custodial Care** – Is the most basic level of nursing care. Custodial care is usually of a non-medical nature in which the patient receives assistance with the 'Activities of Daily Living' (ADLs): bathing,

dressing, eating, walking, and toileting. Persons providing custodial care need not be professionally trained nurses or therapists.

**Daily Benefit** – The dollar amount you want to have the policy cover toward your long term care expenses.

**Deductible** – See elimination period.

**Dementia** – The deterioration of intellectual faculties due to a disorder of the brain.

**Elimination Period** – The length of time the individual must pay for covered services before the insurance company will begin to make payments. This can be thought of as the deductible period.

**Favorable Tax Treatment** – Your long-term care insurance benefits will be received tax-free. Also, any premiums and long-term care expenses, within limits, may be deductible from your Federal Income Taxes.

**Financial Counseling Programs** – Assist seniors in: managing their finances, paying taxes and bills, and completing Medicaid, Medicare or insurance forms.

**Guaranteed Renewable** – Once you are issued an insurance policy, your coverage will never be cancelled (as long as your premiums are paid) and benefits have not been exhausted.

**Hands on Assistance** – The physical assistance of another person without which you would be unable to perform the Activities of Daily Living.

**Home and Community-Based Care** – Long term care that is provided in your home by a Home Health Care Provider; in Your Home by an Independent Caregiver; or in an Adult Day Care center.

**Home Care Services** – Household services done by someone other than yourself because you are unable to do them. Services include, but are not limited to, nursing services, personal care, homemaker or chore services, shopping, planning menus, preparing meals, home delivered meals, laundry, and light house cleaning and maintenance.

**Home Delivered Meals** - Also known as meals-on-wheels, provides meals to those not able to prepare their own food.

**Home Health Care Provider** – An entity which provides home health care or Hospice Services and:

1. Has an agreement as a provider of home health care services or Hospice Services under a government or private program; or
2. Is licensed or accredited by state law as a home health care agency or hospice, if such licensing or accreditation is required by the state in which the care is received; or
3. Is a licensed therapist, a registered nurse (R.N.), a licensed practical nurse (L.P.N.), or a licensed vocational nurse (L.V.N.) operating within the scope of his or her license.

Home health care services include services provided by a medical social worker, home health aide, homemaker, and similar services.

**Home Health Aid** – Provides personal care services and may also assist with homemaker services.

**Homemaker Services** – Basic services provided in the home to help a person with a chronic illness or disability to be as independent as possible. These services can include housekeeping, cooking, transportation, and shopping.

**Hospice Services** – Services provided by a licensed hospice that are designed to ease the pain of the physical, emotional, social, and spiritual discomforts of an individual who is experiencing the last phases of life due to the existence of a terminal disease, and to provide supportive care to the primary caregiver and the family. Care may be provided by a skilled or unskilled person under a Plan of Care. This service can be provided in a person's home or a residential hospice.

**Independent Caregiver** – An individual who provides assistance and may hold an active state licensure but works independent of a licensed Home Health Care Agency. An example of an independent caregiver may be a friend or neighbor.

**Independent Living** – A setting such as a home, condominium or apartment where an individual can live independently and take care of their daily living activities with varying degrees of assistance.

**Inflation Protection with the Automatic Increase Benefit Rider (AIB)** – A rider, to a long term care insurance policy, designed to help you keep pace to some extent with the potential of cost of care inflation. The rider increases your maximum daily benefit either on a simple or compound basis, depending on the rider you select.

**Informal Caregiver** – The person who usually lives with the patient and has the primary responsibility of caring for the person in their home.

**Intermediate Nursing Care** – Is similar to skilled care, except the patient does not receive or need 24-Hour attention. Thus, intermediate nursing care is skilled care provided on a non-continuous basis.

**Licensed Health Care Practitioner** – A physician, registered nurse or licensed social worker.

**Long Term Care** – Refers to a broad range of medical and support services provided to persons who have lost some or all capacity to function on their own due to chronic illness, disability, or disabling injury. Services are rendered in a setting apart from the acute care center of a hospital, and are usually of long duration and require a lower medical skill level to administer.

**Long Term Care Facility** – A place which:

1. Is licensed by the state where it is located; and
2. Provides nursing care on an inpatient basis under the supervision of a physician; and
3. Has 24 hour-a-day nursing services provided by or under the supervision of a registered nurse (R.N.), licensed vocational nurse (L.V.N.), or licensed practical nurse (L.P.N.), and
4. Keeps a daily medical record of each patient; and
5. May be either a freestanding facility or a distinct part of a facility such as a ward, wing, unit, or swing-bed of a hospital or other institution.

These facilities are sometimes known as nursing homes, extended care facilities, convalescent care facilities, or nursing sanitarium and usually admit those people requiring either a constant or semi-constant skilled level of medical care.

A Long Term Care Facility does not mean a hospital or clinic, a boarding home, a place which operates primarily for the treatment of alcoholics or drug addicts, or a hospice.

**Long Term Care Insurance** – A private health insurance policy designed to pay some, or all, of the costs associated with the various levels of long term care services. Medicare and Medigap policies will not pay for most long term care services.

**Maximum Daily Facility Care Benefit** – This benefit is the maximum daily amount you want your policy to pay if you are receiving care in a facility.

**Maximum Lifetime Benefit** – The total amount the insurance company will pay in your lifetime for all benefits provided by your policy.

**Maximum Weekly or Daily Home and Community-Based Care Benefit** – This is the weekly or daily amount you want your policy to pay if you are receiving home or community based care.

**Medical Help System** – A communication system, located in your home, used to summon medical personnel in case of an emergency.

**Medicare** – A federal program designed to provide health care benefits for older Americans and the disabled. Long term care benefits are limited under this program.

**Medicaid** – A federal and state assistance program. Also known as the Title XIX of the Social Security Act, designed to provide medical and health related services to the people considered poor.

**Medigap (Medicare Supplemental) Insurance** – This type of health insurance is sold by private insurance companies to fill the “gaps” in the Medicare Plan coverage. There are ten standardized Medigap plans called “A” through “J” with each having a different set of standardized benefits. Medigap policies do not cover long-term care expenses.

**Minimum Benefit Period** – The minimum length of time you want your policy to pay benefits.

**Nursing Home Care** – Provides long term care for those with considerable assistance needs. Services include medical, nursing, personal care, social and ADL assistance. Generally reserved for persons who do not need acute care but require more attention than is provided in an Assisted Living Facility.

**Nursing Home Facility** – A facility that is primarily engaged in providing nursing care and related services on an inpatient basis under a license issued by the Department of Public Health or the appropriate licensing agency of the state in which it is located.

**Non-Forfeiture Benefits** – An optional benefit that may be available where you can retain some or all of your long term care premium should you lapse your policy or die.

**Non-Tax Qualified Policy** – A policy that does not allow premiums to qualify as a medical deduction on your federal income tax return. Benefits received from this type of policy may be taxable.

**Partnership Policies** – Long term care policies available in a limited number of states that provide some form of asset protection. The Partnership of Long Term Care is a public/private alliance between state governments and insurance companies. Programs are operational in Connecticut, New York, Indiana, California and approved in Iowa. Variations of the Partnership are operational in Illinois, Massachusetts and Washington.

**Plan of Care** – A program of care and treatment initiated by and approved in writing by a licensed physician before the start of such care.

**Pre-existing Conditions** – Illness or disability for which treatment or a diagnosis was received within a certain time frame before long term care insurance becomes effective.

**Respite Care** – Qualified Long Term Care, provided by or through a Long Term Care Facility, Alternate Care Facility, Independent Caregiver, Adult Day Care Center, or Home Health Care Provider, to temporarily relieve the Informal Caregiver.

**Senior Centers** – Offer a variety of social and recreational services. They may provide congregate meal programs offering free or low cost meals.

**Senior Transportation Services** – Assists seniors in shopping and keeping medical and other appointments.

**Severe Cognitive Impairment** – A loss or deterioration in intellectual capacity that is comparable to Alzheimer's disease and similar forms of irreversible dementia, and is measured by clinical evidence and standardized tests that reliably measure impairment in the individual's (A) short-term or long-term memory, (B) orientation as to people, places, or time, and (C) deductive or abstract reasoning.

**Skilled Nursing Care** – Is the highest level of care, requiring the greatest professional expertise, and is generally prescribed for the most severely impaired person who cannot tend to his own needs. Skilled nursing care is 24-Hour care ordered by a physician and provided by a Registered Nurse (RN) or Licensed Practical Nurse (LPN).

**Standby Assistance** – The presence of another person within arm's reach of you that is necessary to prevent, by physical intervention, injury to you while you are performing the activities of daily living.

**Substantial Supervision** – Continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect you when Severe Cognitive Impairment threatens your health or safety (such as may result from wandering).

**Supportive Living** – Settings (usually of an adult foster home or home for aged arrangements) where residents live together and receive services which help or support a resident in daily living (meals, laundry, bed making, housekeeping, etc.).

**Tax Qualified** – A policy that may allow an individual or company to deduct a portion or all of the premiums paid for a long term care policy. Benefits received from a tax qualified policy are generally not taxable income as long as they do not exceed the maximum amount established by the federal government. A tax professional should be consulted for each individual situation.

**Thirty Day Free Look** – The 30 days you are given to review an insurance policy that has been issued and are able to return it for a full refund.

**Waiver of Premium** – A feature in most policies that allows premium payments to stop during the period that your policy is paying benefits.

**Please Note:** This Glossary of Terms is intended to assist people dealing with issues involving long term care. It is not intended to be all inclusive and some organizations may use different terms for like activities or services.