



**RONALD R. HAGEMAN, JR.**

*CLTC, CSA, LTCP, has been a teacher, cattle rancher, agent, brokerage general agent, corporate consultant and home office executive. As a consultant he has created numerous individual and group insurance products.*

*A nationally recognized motivational speaker, Hagelman has served on the LIMRA and Society of Actuaries LTCI committees and is past president of the American Association for Long Term Care Insurance, as well as a master trainer for the LTCP professional designation. He is president of Republic Marketing Group and a principal in the agent sales training company Hagelman-Barrie Sales Training Solutions.*

*Hageman can be reached at Hagelman Consulting, 156 North Solms Road, New Braunfels, TX 78132. Telephone: 830-620-4066. Email: ronjr@satx.rr.com. Website: www.HBLTCL.com.*

# Collateral Damage

As I watch the news with horror at the results of the latest terrorist bombing of a public place in the Middle East, I can't avoid weighing the severity of the tragedy by the number of innocent bystanders harmed by a random cataclysmic event. We somehow expect the direct combatants to experience some casualties; however, it is those who simply were in the wrong place at the wrong time under the wrong circumstances which disturb us the most. It is the unexpected emotional and financial cost to all those simply unfortunate enough to be standing nearby that creates inherent unease.

When we are focused on completing an LTCI sale, we often forget what I have come to recognize as the greatest hardship associated with the need for LTC. It falls specifically on families and friends—those who will do all the “heavy lifting” when the time comes. When there is insurance, there is greater choice, enhanced dignity, much less fear, better quality surroundings, improved services, and the best level of care money can buy. Those without money—either theirs or the insurance companies’—will create unbelievable turmoil with everyone in close proximity to the problem. The individual with the problem will receive care; the only outstanding question is from whom and under what circumstances. Whose lives will be interrupted, whose career postponed, whose vacation cancelled, and whose marriage or personal relationship jeopardized? Who will be thrown into the breach to meet the demands of home

healthcare or institutional admission?

**The potential damage to the care recipients' support system can be massive.** The emotional baggage attached to helping place someone in an institutional setting can be overwhelming, even if there are adequate funds to ease the transition. Our current industry research paints a very clear picture. “The MetLife Juggling Act Study” estimated the direct financial cost to caregivers. In aggregate lost wages, decreased Social Security benefits and lost pension benefits in 1999 averaged \$659,139 over a caregiver's lifetime. Direct out-of-pocket contributions to help the care recipients averaged an additional \$19,525. It is not just the financial loss. Almost three-fourths of those surveyed said it impacted their own health directly, adding an additional eight doctor visits per year. Caregiving is not a short duration problem, either—the average amount of time spent caring for an elder is eight years.

The most recent set of numbers I have seen from the “2004 National Caregivers Survey” estimates there are 34 million Americans providing care to family members. The National Alliance for Caregiving also estimated from another of their surveys—“Young Caregivers in the U.S.” (September 2005)—that there are approximately 1.4 million children providing caregiving service. Research from MetLife also suggests that men are becoming almost as likely as women to provide care.

You will find it very difficult not to be affected by collateral damage. It is quite

likely that a bomb will eventually go off somewhere near you. Ultimately there will be very few innocent bystanders not harmed by the blast.

The larger message is that the shock

wave that hits your job or your wallet pales in comparison to the emotional fire storm created by the proximity of an LTC event. It is family and friends who will become the walking wounded. They will have to take

direct and personal responsibility for very difficult decisions. There is only one option that can alleviate the pain. Planning ahead to provide the necessary money is the only reliable body armor! 🌐