Should/Can you "Self-Insure" against the Cost of LTC? – "High net worth" folks (=*liquid* assets of over 1 million) sometimes wonder if they can forgo insurance premiums and just plan to "self-insure" the financial risk of long term care (LTC).
If this is your conundrum, these bullets might be helpful to consider:

- 70% will need care, the average is just over 3 years = about 280K per person in today's dollars, 486K in 25 years (Genworth.com)
- One-third of today's 65 years old may not need care, 20% will need care for more than 5 years (longtermcare.gov)
- How important is it to you to stay in your home?
- How many children do you have?
- Do you want your children to be caregivers? (*Often children will divide up the responsibilities of caregiving rather than write out large monthly checks, even when there are sufficient assets available.)*
- Do you want to leave an inheritance?
- Do you want to leave money to a charity?
- Are your assets liquid or non-liquid? (*Non-liquid assets, ie. real estate, a family business, take time to sell, are dependent on market conditions, and burdens a family member to facilitate the sale)*
- Is selling your house necessary to self-insure? If so, how do you feel about facility care?
- Medical care is more advanced, "lingering" is more likely. (*Family history may not be a good predictor)*
- Consider splitting the difference; purchase a smaller amount of coverage, self-insure the rest
- Age 55 – 65 premium rates are more favorable and health is generally better. If you wait later than this the decision may have already been made for you.

In Summary - the answer is not in the numbers, it may be in your heart. A legal insurance contract can offer "Peace of Mind", is that important to you? In 10 years, if you find yourself in the situation of having to pay 300K – 500K per person, is that OK because "that's what that money was for?" Or would you prefer that it be reserved for something/someone else?