



# THE EDUCATED INVESTOR

## A Guide to Retirement Planning

### FEATURED ARTICLE

## What is the Difference Between Disability Insurance and Long-Term Care Insurance?

*This article defines and discusses the differences between disability insurance and long-term care insurance.*

Disability Insurance addresses lost wages that stem from an inability to work. Long-term care insurance, in contrast, addresses expenses associated with medical care provided to you in your home, a nursing home, a rehabilitation center, or an assisted living facility.

Disability insurance policies may address either short-term or long-term needs for income. Short-term disability policies provide coverage on a temporary basis, usually up to several months, while you recover from an accident or illness. Long-term disability insurance provides benefits when a disability is of a more permanent nature.

Most long-term disability policies will cover you throughout your working years, usually until you reach age 65. Policies vary considerably in terms of the cost of premiums, the percentage of your prior salary paid out as a benefit and the definition of what constitutes a disability.

Long-term care insurance is designed to help cover costs of health care services provided to you in your home, a nursing home, a rehabilitation center, or an assisted living facility. Many long-term care insurance policies provide benefits when you require assistance with activities of daily living such as bathing, dressing, and feeding yourself. Loss of wages typically is not an issue with this type of coverage.

Long-term care insurance can be purchased at any time in your life. However, premiums tend to rise considerably with age and applicants can be turned down due to preexisting medical conditions. Although individuals of any age may receive benefits from a long-term care insurance policy, these policies typically are intended to help finance the medical costs of the aged.

Why do many financial experts recommend their clients purchase both disability and long-term care insurance?

- According to the Social Security Administration, a 20-something worker today has a 30% chance of becoming seriously disabled before reaching retirement.
- The median daily charge for a semi-private room at a nursing home is \$220. The median monthly charge for care in an assisted living facility is \$3,600.

For more information on disability and long-term care insurance, visit the Insurance Information Institute or talk to your financial or insurance professional.

Source/Disclaimer:  
Source: Social Security Administration.  
Source: Genworth, 2015 Cost of Care Survey, 2015.

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## The Sandwich Generation: How the Fletchers Provide for Parents and Kids

This article offers tips to the many Americans who are trying to save for retirement while being sandwiched between financial obligations to their children and elderly parents.

As a consequence of an aging population, more working Americans are finding themselves faced with a new challenge -- trying to save for retirement while sandwiched between financial obligations to children and to elderly parents.

With two children in high school, Suzanne and Matt Fletcher each work full time, and contribute regularly to retirement and college savings accounts.\* When Suzanne's mother suffered a stroke and needed full-time medical attention, her pension and Social Security payments couldn't cover all of the cost of her increased health care needs. High medical expenses put a squeeze on the Fletchers' combined income of \$80,000.

## Keep Your Eye on the Future

Understanding the importance of keeping up regular saving for retirement, the Fletchers continue to contribute to a retirement plan offered through Matt's employer, though at a slightly lower level. They took on the additional cost of \$1,800 a month for a daytime caregiver for Suzanne's mother so that Suzanne could keep her job. This way, she will continue to accrue Social Security and pension benefits, making it less likely that she and Matt will be a burden to their own children later on.

## We're All in This Together

The Fletcher children are now playing a bigger part in funding their own educations. Money from gifts and part-time jobs goes directly into their college savings accounts. They have also taken charge of researching grants, scholarships, and loans for financing the remaining costs. First-hand experience in planning for financial goals will teach a positive lesson to the Fletcher children -- the value of saving and investing for the future.

Source/Disclaimer:  
\*The investor profile is hypothetical.

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## Suusage-Pecan Turkey Stuffing



Source: [www.tasteofhome.com](http://www.tasteofhome.com)

### Ingredients

9 cups soft bread crumbs  
1 pound bulk pork sausage  
2 cups chopped onion  
1/4 cup butter, cubed  
3 unpeeled tart apples, coarsely chopped  
1 cup chopped pecans  
1/2 cup minced fresh parsley  
1-1/2 teaspoons dried thyme  
1 teaspoon rubbed sage  
1/4 teaspoon salt  
1/4 teaspoon pepper  
1/4 cup apple juice  
Chicken broth  
1 turkey (14 to 16 pounds)

### Directions

1. Place bread crumbs in a large bowl; set aside. In a large skillet, cook sausage and onion in butter until sausage is no longer pink and onion is tender; do not drain. Add to bread crumbs. Stir in apples, pecans, parsley, thyme, sage, salt and pepper; stir in apple juice and enough broth to moisten.

2. Just before baking, stuff the turkey. Skewer openings; tie drumsticks together. Place on rack in a roasting pan. Bake at 325° for 5 to 5-1/2 hours or until a meat thermometer reads 185°. When the turkey begins to brown, cover lightly with a tent of aluminum foil and baste if needed. Remove all stuffing. Yield: 12-14 servings.

Editor's Note: Stuffing may be baked in a greased 3-qt. covered baking dish at 325° for 70 minutes (uncover for the last 10 minutes). Stuffing yields about 12 cups.



Source: [www.childdevelopmentinfo.com](http://www.childdevelopmentinfo.com)

## 6 Thanksgiving Family Activities

Many families will travel to see loved ones during the Thanksgiving holiday. However, if you can't make a long distance trip to visit family this year, that doesn't mean you can't have fun.

### 1. Take a Day to Get Back to Nature

Gather the family together, get bundled up if the weather is nippy, and get everyone out in the crisp, cool autumn air. This might be a great family activity after eating your Thanksgiving meal rather than everyone taking a nap or sitting in front of the television.

### 2. Relax with a ScrapBook

Plan on having disposable cameras available so anyone can take candid shots during the day. If you get the pictures developed, your entire family can go through the photographs after dinner and create a small Thanksgiving scrapbook to remember the day. You can also share pictures with those you weren't able to see.

### 3. Play a BoardGame

Thanksgiving is the perfect time to pull out the old board games you haven't played in a while. Choose games which everyone can play no matter what age.

### 4. Plan a Pumpkin Race

Mark the start and finish of the race and then have family members roll a pumpkin from one end of the race course to the other.

### 5. Play a Game of Charades

Give everyone scraps of paper and a pencil. Have them write down names of songs, movies, television shows or sporting activities. Fold or crumple the pieces of paper and put them in a bowl. Let everyone take turns acting out what is written on one of the papers.

### 6. Share and Be Thankful

Go around the table and ask each person to say one thing they are thankful for.