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# **New Research Shows that Medicaid Could Be the Largest Underlying Threat to our Economy**

## **Industry leader, Phyllis Shelton presents the 2010 Family and Jobs Rescue Tour**

**NASHVILLE, TN** – A perfect storm is in the making that could cost Americans thousands of jobs over the next decade and the priceless dignity and choice that being a private pay long-term care patient can offer.

Phyllis Shelton, President of *LTC Consultants*, a 19 year old company specializing in educating Americans to plan for long-term care, is conducting a seven-city tour to educate consumers, financial services professionals, and media contacts about the greatest risk to American families and jobs: the rapidly escalating growth of Medicaid, the nation's program to provide health care to the poor and disabled. "A lot of leaders in this country are talking about the unsustainability of Social Security and Medicare and completely ignoring the program that is poised to eclipse the problems with those programs," Shelton says. [Click here to see her shocking analysis of why Medicaid could be the largest underlying threat to our economy.](#)

"I am hosting training seminars in seven cities between September 15<sup>th</sup> and November 9<sup>th</sup> for financial professionals on the two newest areas of long-term care insurance sales: worksite LTCI and products that combine life insurance or annuities with long-term care insurance. I invite the media to come see for themselves that there is a virtual army of committed professionals in this country who are willing to do whatever it takes to make Medicaid the payer of last resort for long-term care, which will save jobs by rescuing state budgets and keep families together by providing caregivers when most needed."

Shelton is marshaling an army of 1,000 producers – 150 in each of the seven cities – that she will make available to media representatives to interview at designated times before and during the seminar about the strongest private sector's solution to this problem, which she believes is long-term care insurance. "Long-term care insurance is the only thing that keeps many people out of a nursing home," she explains, "while providing money to hire caregivers to take the load off the family – and that's the real problem," she says, "with the tsunami of long-term care that the nation is facing." A recent Age Wave/Harris Interactive survey sponsored by Genworth Financial reports that Americans worry much more about the emotional strain of caregiving than the financial costs. The survey also says they are much more concerned with being a burden on their family than protecting their assets. Long-term care insurance, she says, meets both needs.

“Most states have approved the new Partnership LTC insurance policies which were made possible by the Deficit Reduction Act of 2006,” she reports, “that allow policyholders to protect assets equal to the benefits paid out if they ever have to turn to Medicaid for help. If they otherwise qualify for Medicaid at that point, they can get unlimited benefits from Medicaid but the important point is Medicaid becomes payer of last resort, not first resort.”

“The Partnership is a home run in saving Medicaid budgets,” she emphasized. A study conducted by her firm of the original four states with Partnerships dating back to the early 1990’s showed that only about 400 out of over 300,000 Partnership policyholders have had to turn to Medicaid for help.

Partnership plans especially pave the way for younger enrollees, she said, who can’t afford long benefit periods but understand that it is essential to start a long-term care insurance plan as young as possible because anyone could need long-term care due to an accident, stroke or other disabling illness like a brain tumor or MS. “The main reason employees are showing such interest though is because they’ve taken care of personal needs for their parents, and they can’t stand the thought of their children having to do the same for them.”

**“The legislation that passed August 11<sup>th</sup> to extend a small amount of additional federal funding to states through June 30, 2011 is like putting a Band-Aid on a main artery that’s been cut.” she said. “There’s no way that Medicaid can fund long-term care for the baby boomers who don’t plan ahead and the younger population too.”**

Shelton says this training is also in demand due to growing employee interest in getting long-term care insurance through an employer with premium discounts and limited health questions, in addition to a new tax incentive effective January 1, 2010 that allows gains from a non-qualified annuity to be taken out tax-free for qualified long-term care expenses. “Employees are finally figuring out that extended care at home or in a facility isn’t covered by health insurance or by Medicare. I’ll also be answering questions at each seminar about how the federal CLASS Act for long-term care fits into this picture.”

The dates and locations for the fall tour are on Shelton’s website at <http://www.ltconsultants.com/>.

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**To schedule media interview opportunities before and during the tour, contact:**

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