

Long-Term Care Insurance vs. Out-of-Pocket Costs in WA



Private LTC Insurance (Washington Residents)

- Average premium for a 55-year-old single: \$203/month (\$2,436/year)
- Nationally, premiums for a 65-year-old average around \$3,135/year



Estimated Out-of-Pocket Costs (Washington-State Average) Based on typical needs in 2024/25:

- Home Care (44 h/week): ~\$83,131/year (roughly \$1,600/week)
- Assisted Living (private): ~\$82,811/year
- Nursing Home (private room): ~\$132,246/year

Quick Comparison	
Option	Estimated Annual Cost
Home Care (44 h/week)	Approx. \$2,400 – 3,100
Assisted Living (private)	Approx. \$83,000
Nursing Home (private room)	Approx. \$132,000



Why It Matters

- Insurance costs represent a small fraction of actual care costs—typically under 5% per year.
- Without insurance, a typical three-year care need could cost over \$240,000 or more out-of-pocket.
- Washington's WACares Fund offers up to \$36,500 lifetime benefit, which may not be enough to cover multi-year care needs

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Takeaway Tips

- Start early : Buying LTC insurance in your 50s or early 60s locks in lower premiums.
- Compare coverage carefully : Policies vary by benefit triggers, inflation protection, and coverage duration.
- Use estimates to stress-test your retirement budget —just how long could your savings support care?

