

# Ways to Pay for Care



Paying for care isn't always straightforward—and it rarely comes from just one source.

At Caraday, we help families understand their options, navigate paperwork, and make confident decisions about how care is funded—today and over time.

Many families ask the same question: How will we afford long-term care?

The answer depends on several factors—where you receive care, the level of services needed, and how long care is required. Most people use a combination of payment methods over time.

Here are the most common ways care is funded:

## **Personal Resources**

Often the starting point is private pay, which might include personal savings, retirement income, life insurance conversions, trusts, or home equity (such as reverse mortgages).

This approach offers the most flexibility in choosing care settings and services.

## **Long-Term Care Insurance**

Long-term care insurance can help cover services like skilled nursing, assisted living, memory care, and in-home care.

Coverage varies by policy, but benefits are typically stronger when policies are purchased earlier in life and before major health changes occur.



For more information call **512-641-8805**, email us at [contact@caradayhealth.com](mailto:contact@caradayhealth.com) or visit [caradayhealth.com](http://caradayhealth.com)

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## Medicare

Medicare is not designed to cover long-term care—but it can cover short-term skilled nursing or rehabilitation following a qualifying hospital stay.

Key points:

- Requires a qualifying inpatient hospital stay (typically 3 midnights)
- Covers up to 100 days per benefit period (with conditions)
- First 20 days: fully covered
- Days 21–100: daily coinsurance applies
- Medicare only covers care when skilled services are medically necessary.

## Medicare Supplement

Medigap policies help cover costs that Medicare doesn't—such as deductibles, copayments, and coinsurance.

These plans can reduce out-of-pocket expenses during a skilled stay but do not extend Medicare's coverage limits.

## Medicaid

Medicaid is the primary payer for long-term care in the U.S. once financial eligibility is met.

Important considerations:

- Strict income and asset requirements
- Coverage varies by state
- Care must be provided in a Medicaid-certified community
- Medicaid planning can be complex, and timing matters.

## Military & Veterans Benefits

Veterans and their spouses may qualify for benefits that help cover long-term care, including skilled nursing and in-home services.

Programs like Aid & Attendance can provide meaningful financial support for those who qualify.

## Bringing It All Together

Most families don't rely on just one funding source. Planning often involves transitioning from private pay to insurance or Medicaid over time.

It's not just about how to pay—it's about understanding what each option covers and when.

At Caraday, we help families make sense of it all—so you can focus on care, not confusion.



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