

Plan to Live

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One Simply Question..

So often financial planning involves asking what if you die?

Instead let's start with

What if you live?



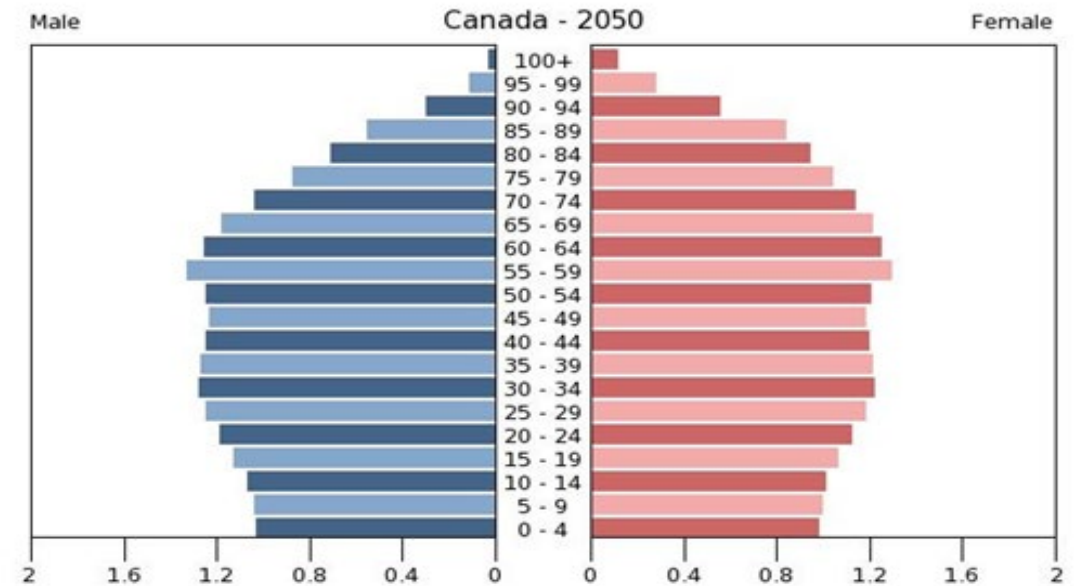
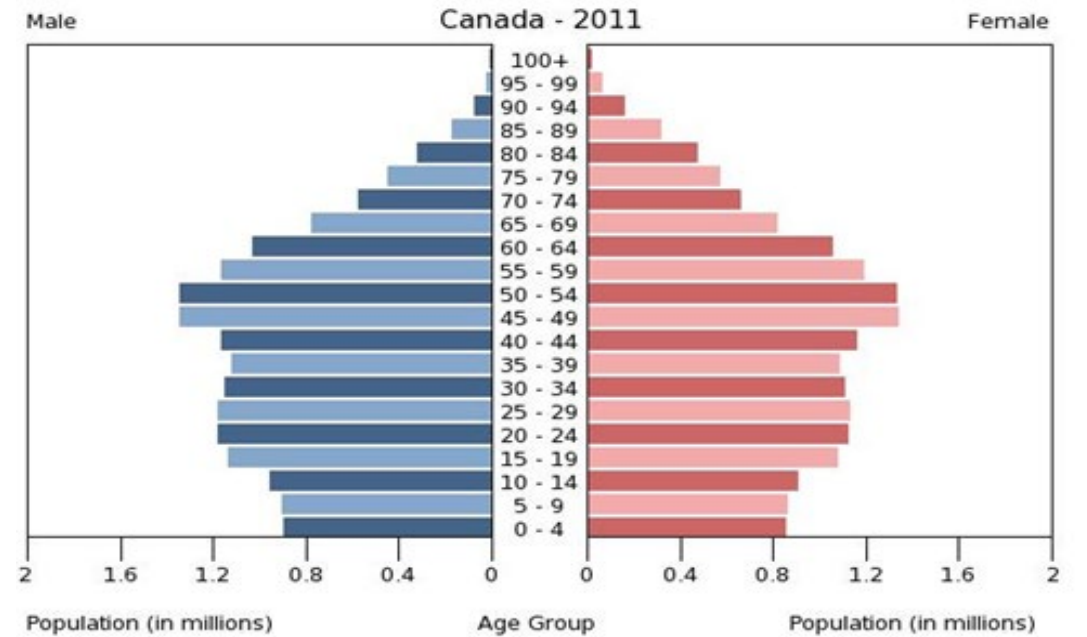
Why is it needed?

- Change in population
- Change in family structure
- Change in life cycle and planning needs
- Change in medical advancements
- Change in debt
- Change in interest rates
- Change in who provides care



Change in population

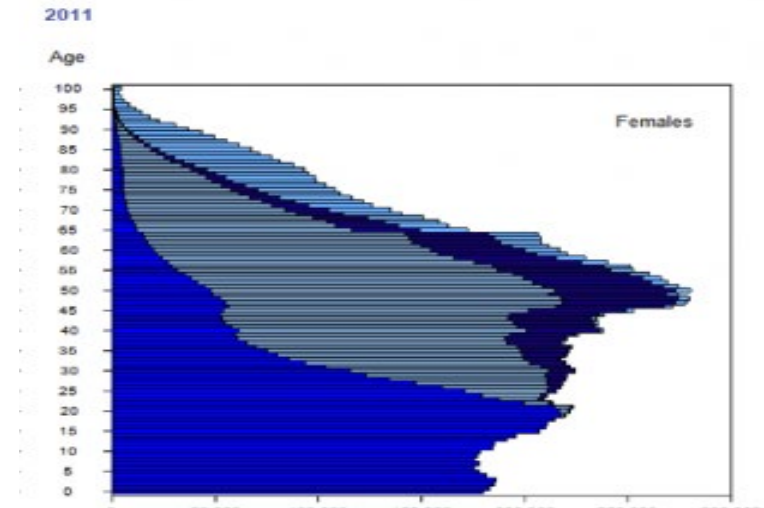
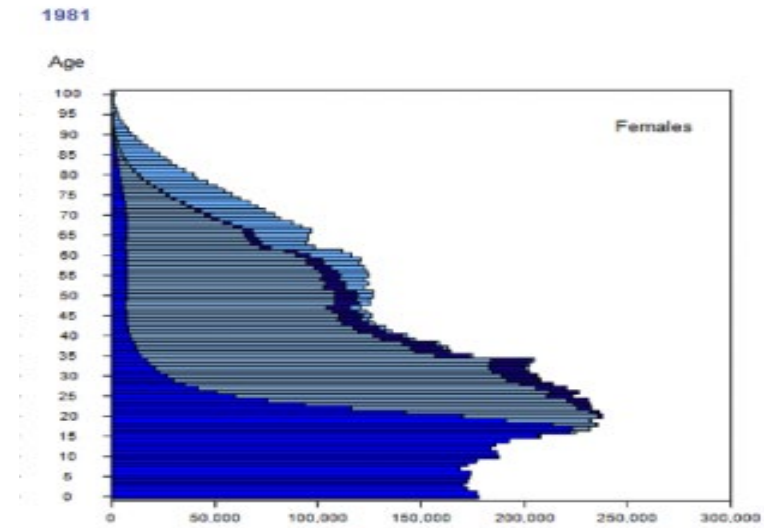
- ▶ Longer does not mean Healthier
- ▶ Centenarians (100 years) up 22% in last five years – will triple by 2020



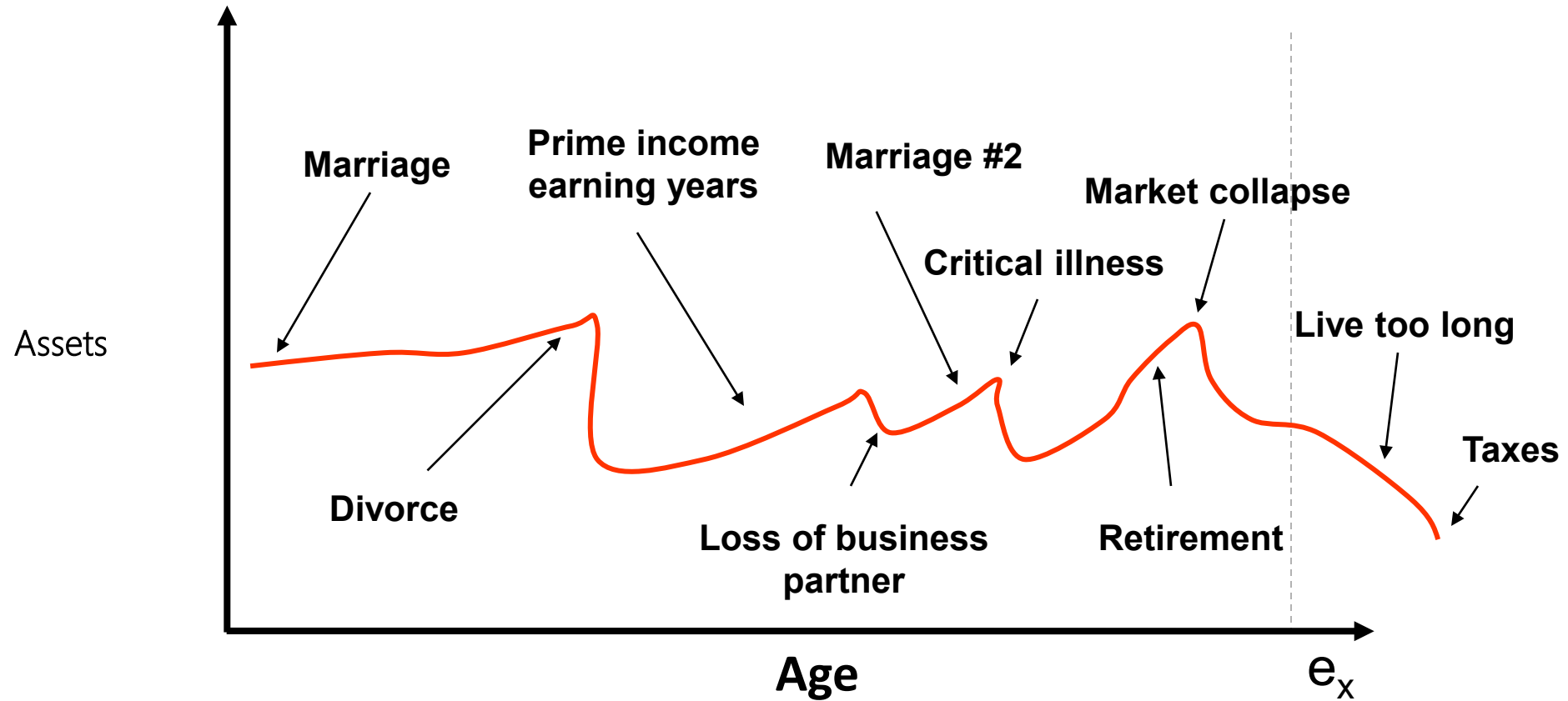


Family Structure

- ▶ Overall trends
- ▶ Smaller families
- ▶ More women are working full-time
- ▶ Increased labor mobility
- ▶ Blended families
- ▶ Children later in life



Change in financial life cycle





Medical Advancements

CI – Cancer, Heart Attack, Bi-pass & Stroke

The good news is early detection is getting better and survival rates are increasing:

5 year survival rate for men with prostate cancer is 87%

and for women with breast cancer is 82%

80% of heart attack victims survive

85% of stroke victims survive

Longevity

We examine changes in disability-free life expectancy for men and women in Canada in 1994 and 2007 using the Sullivan method. We find that increases in life expectancy for men were due to a moderate increase in healthy years and a larger increase in disabled years. **The increases in life expectancy for women were driven almost completely by increases in disabled years, suggesting an “expansion of morbidity” among women.**

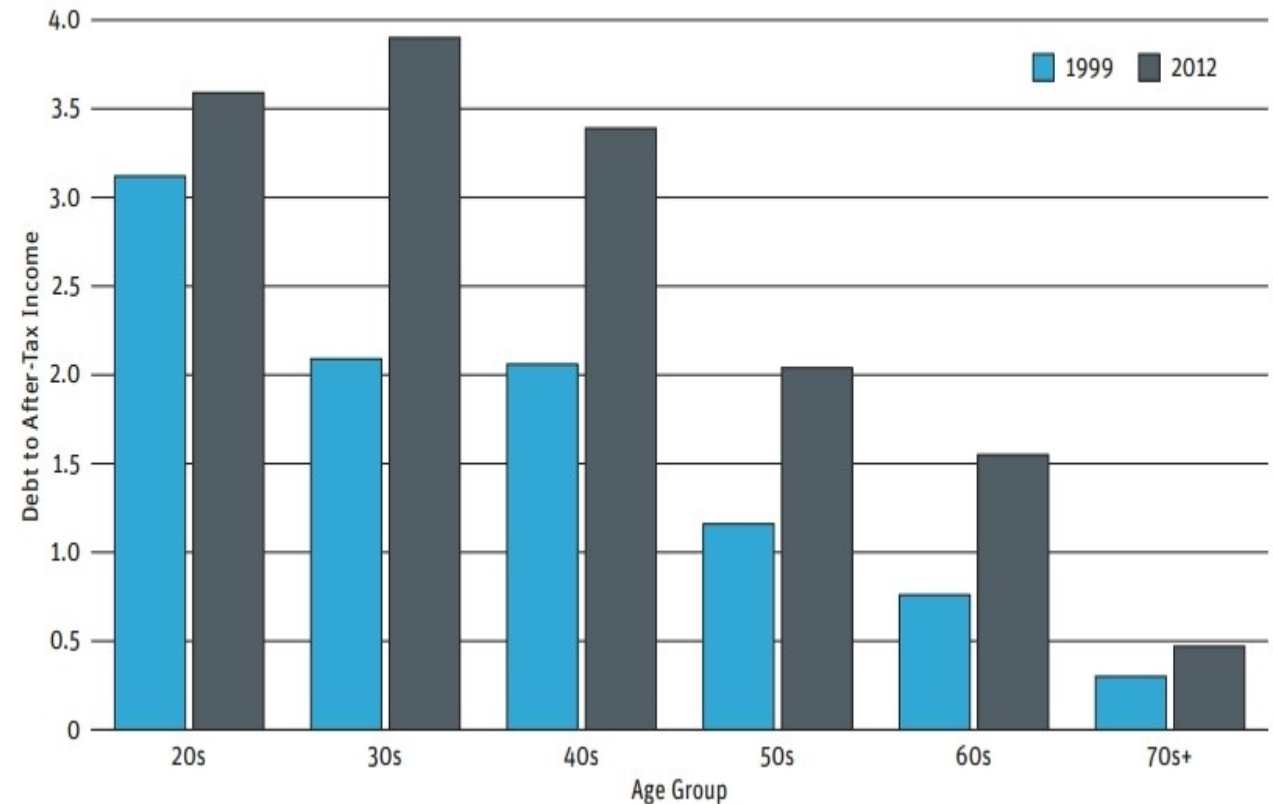
Debt...

Debt :

A new CIBC poll conducted by Harris/Decima in spring 2012 reveals that nearly 60 per cent of retired Canadians hold some form of debt. This suggests that retired Canadians may carry debt for longer than they anticipated in retirement, incurring higher interest costs and affecting cash flow.



FIGURE 1 Average Debt-to-Income (After Tax) Ratio by Age Group (1999 & 2012)

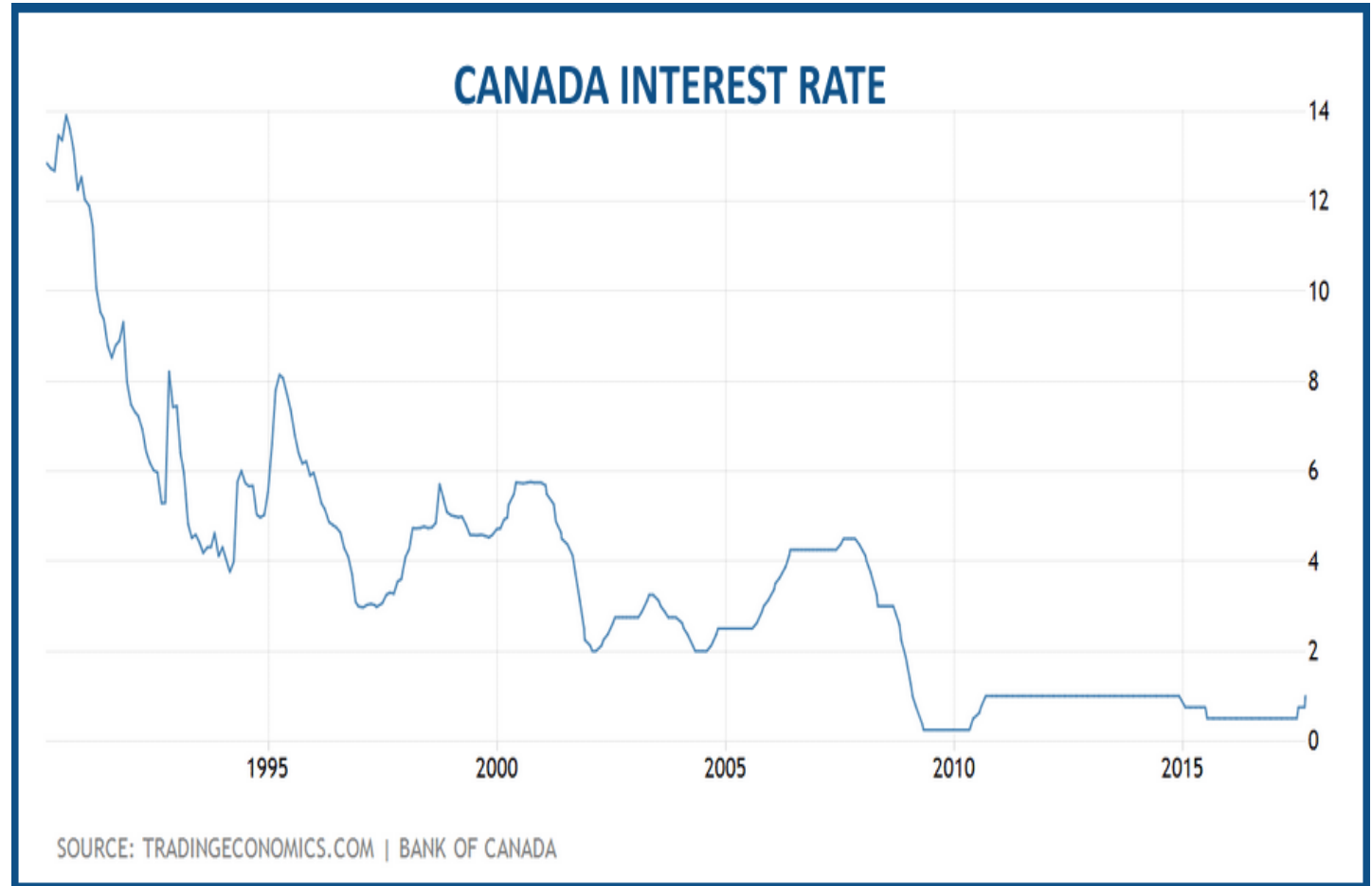


Where will they will go in the future?

Interest rates :

Lower interest rates means it will take longer to accumulate investment growth and is more difficult to regain losses.

Planning for longevity becomes more variable.

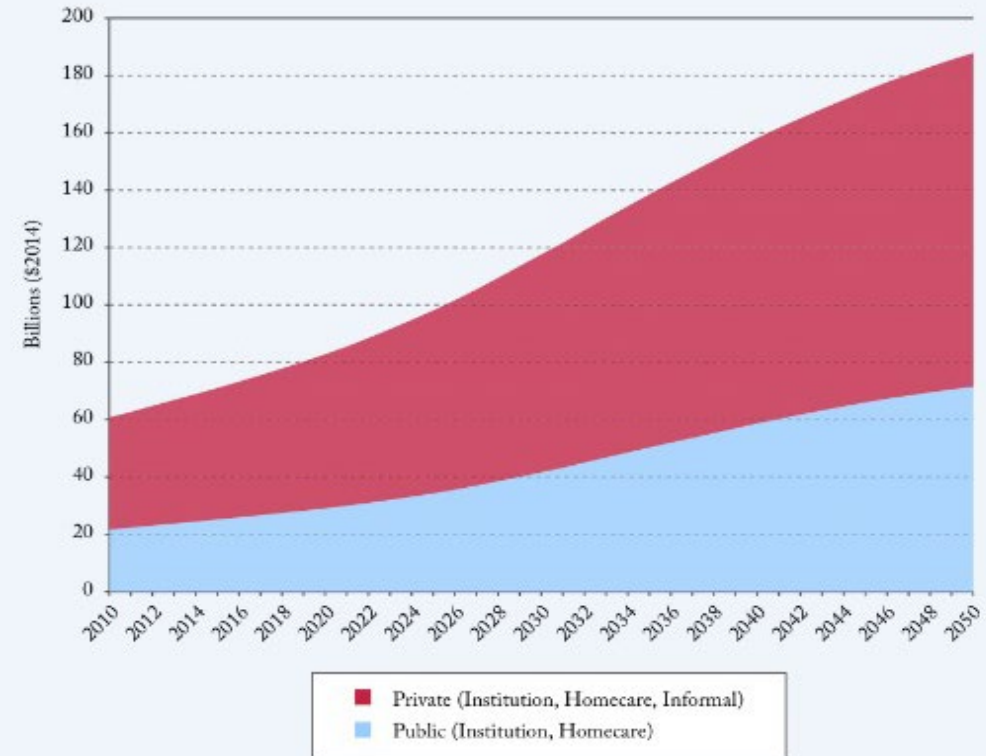




FREE Care costs will rise.....

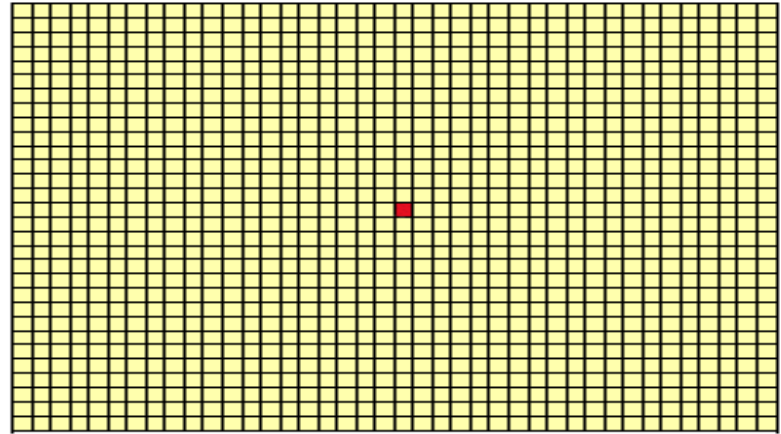
- ▶ Living longer will have impact on health care cost
- ▶ More care will be provided by family and private service.

Figure 4: LTC Costs Projections (\$2014), Public and Private Sources, 2010 to 2050



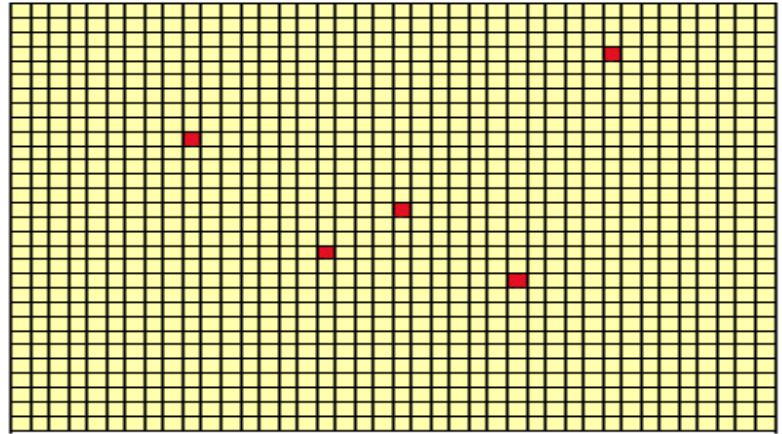
Probability of need..

Odds of Your Home Having a Fire: 1 in 1,200



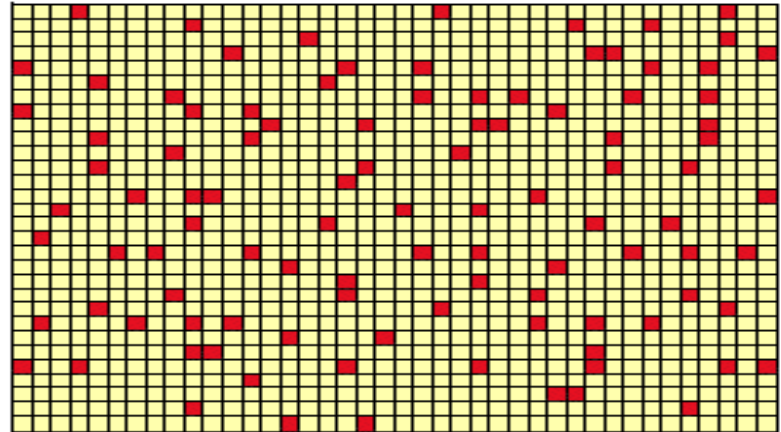
Is This Risk Covered? YES NO

Odds of Your Auto Being Totaled: 5 in 1,200



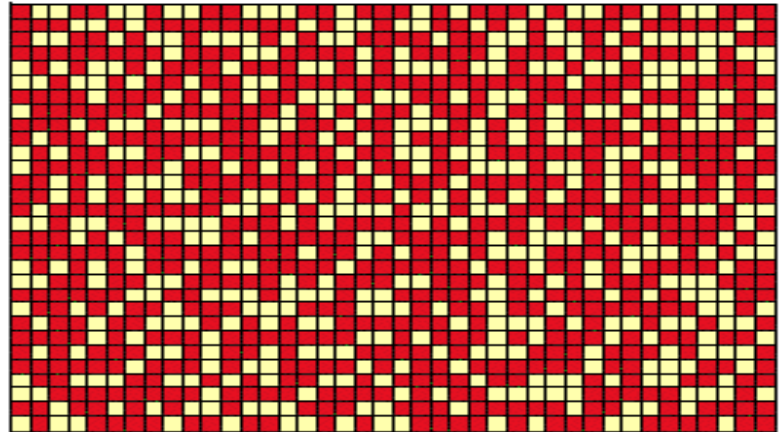
Is This Risk Covered? YES NO

Odds of Being Hospitalized: 105 in 1,200



Is This Risk Covered? YES NO

Odds of Needing Long Term Care: 720 in 1,200



Is This Risk Covered? YES NO

Care needs disproportionately affect women

Care is not FREE, and we must consider what if something happens too soon or lasts too long.

The true impact this will have on your choices, family, and assets is worth a discussion.

Plan to Live! Plan for You.

- Start with an inventory of your finances. You can not start until you know where you stand.
- Call a professional. Interview and ask around.

You are looking for a financial planner that does not focus on investments or products.

You want a plan to give clarity and knowledge. Providing direction and options so you can be empowered knowing you will live best for you.

**Live without
Compromise**

Thank You
Questions?