LTC Simple Highlights Why High-Net-Worth Households Are Rethinking Self-Insurance for Long-Term Care

Affluent families are taking a closer look at the financial and planning tradeoffs between self-insuring and long-term care insurance.

BELLEVUE, WA, UNITED STATES, August 21, 2026 /EINPresswire.com/ -- Affluent Americans are often advised that having sufficient assets means they can simply self-insure for long-term care. But the ability to pay for care does not necessarily answer the larger question of whether retaining the entire financial risk is the preferred strategy.

Carol Guilbault, founder of LTC Simple and a long-term care insurance specialist since 2001, believes that assumption deserves a closer look.

Self-insuring does not make the cost of care disappear. It means choosing to retain the entire financial risk. If care is needed, the money must come from investments, retirement accounts, income, savings or other assets.

According to CareScout's 2025 Cost of Care Survey, the national median cost of a private nursing home room reached $129,575 per year. Assisted living reached $74,400 annually, while a non-medical caregiver providing 44 hours of care per week had a national median annual cost of $80,080.

Those figures represent current costs, making future care expenses an important consideration in long-term financial planning.

"I regularly talk with people who have $2 million to $5 million in assets who tell me they can afford to self-insure," Guilbault said. "And they're right — they can. But being able to write the check doesn't automatically make paying 100% of the expense yourself the smartest use of your money. The more you've accumulated, the more you have to protect."

Guilbault points to an interesting contrast in the way financially successful people approach other risks.

"People insure homes they could afford to rebuild and cars they could afford to replace," she said. "Yet with long-term care, we sometimes assume that because someone has significant assets, they should retain the entire risk. Why?”

For affluent households, the decision does not have to be all or nothing. A family may choose to self-fund part of its future care while transferring another portion of the risk through traditional long-term care insurance or hybrid and asset-based strategies.

But Guilbault says the conversation should not be only about money.

“One of the most important questions I ask is: Where would you want to receive care?” she said. “Most people want choice and independence. Planning ahead isn’t simply about protecting assets. It’s about creating options for how and where you receive care.”

According to Guilbault, two questions can help frame the planning discussion: where an individual would prefer to receive care and which financial resources would be used to pay for it.

“I’m not saying everyone needs long-term care insurance,” Guilbault said. “Some people will look at the numbers and decide to self-fund. But ‘I’m wealthy, so I’ll self-insure’ isn’t a financial analysis. It’s a conclusion. Do the analysis first.”

Because long-term care insurance generally requires medical underwriting, waiting to explore coverage can also reduce the options available.

“You can explore your options and decide you don’t need them,” Guilbault said. “But waiting until you need care is no longer planning. At that point, you’re simply paying for it.”

About Carol Guilbault

Carol Guilbault has specialized in long-term care insurance and long-term care planning since 2001. She is the founder of LTC Simple, helping individuals and families evaluate traditional long-term care insurance, hybrid and asset-based solutions, and self-funding strategies.

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