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Scottsdale Financial Group

ARIZONA LONG TERM CARE COST GUIDE

2026 EDITION

What Arizona families are actually paying for care — and how to make sure you're prepared.

Prepared by:

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Why Every Arizona Family Needs This Information

Most families never think seriously about long term care costs until they're facing a crisis — a parent's fall, a spouse's diagnosis, or a sudden decline in health that requires daily assistance. By then, the financial decisions are being made under pressure, without a plan.

This guide reflects what Arizona families are actually paying in 2026 for in-home care, assisted living, memory care, and nursing home care across the state. Understanding these costs is the first step toward protecting yourself, your spouse, and your family.

> **The Reality Most People Don't Know**
>
> 70% of Americans over age 65 will need some form of long term care in their lifetime. The average care need lasts 3 years — and for women, often longer. Yet most families have no plan to pay for it.

The #1 Misconception: "Medicare Will Cover It"

> ⚠️ **Critical Fact: Medicare Does NOT Cover Long Term Care**
>
> Medicare covers short-term skilled nursing care after a qualifying hospital stay (up to 100 days under specific conditions). It does NOT cover ongoing custodial care — the help most people actually need as they age, including assistance with bathing, dressing, eating, mobility, and daily supervision.

Custodial care must be paid through one of these four sources:

- Long Term Care Insurance (the most efficient planning tool)
- Personal assets / savings (often called "self-insuring")
- Family caregivers (unpaid, and often at significant personal cost)
- Medicaid — only available after spending down most of your assets

This is why planning ahead matters. The earlier you explore your options, the more choices you have — and the more affordable those choices become.

2026 Arizona Long Term Care Cost Overview

The following reflects current 2026 data from A Place for Mom, ElderLife Financial, Caring.com, CarePatrol of Northwest Phoenix, and SeniorLiving.org. Costs shown are median ranges.

Care Type	Monthly Low	Monthly High	Annual Cost (Mid)
In-Home Care (Homemaker)	$4,200/mo	$5,400/mo	$58,800/yr
In-Home Health Aide	$4,300/mo	$5,500/mo	$59,400/yr
Adult Day Care	$1,800/mo	$5,000/mo	$41,400/yr
Assisted Living (Studio)	$3,920/mo	$6,140/mo	$60,360/yr
Memory Care	$6,600/mo	$8,000/mo	$87,600/yr
Nursing Home (Semi-Private)	$7,600/mo	$9,250/mo	$107,100/yr
Nursing Home (Private Room)	$9,250/mo	$10,650/mo	$119,400/yr

Sources: A Place for Mom 2026, ElderLife Financial, Caring.com, CarePatrol NW Phoenix, SeniorLiving.org 2026

Cost by Arizona City / Region

Costs vary significantly across Arizona. Here's how monthly rates compare in major markets:

City / Region	In-Home Care/mo	Assisted Living/mo	Nursing Home/mo
Phoenix / Scottsdale	$4,700–$5,500	$4,500–$6,500	$9,250–$10,650
Tucson	$4,200–$4,800	$3,800–$4,575	$6,565–$7,500
Prescott / Prescott Valley	$4,400–$5,200	$5,500–$6,450	$7,000–$8,500
Sedona / Flagstaff	$4,500–$5,400	$5,000–$6,800	$7,200–$9,000
Mesa / Chandler / Gilbert	$4,300–$5,200	$4,200–$6,000	$8,000–$9,500
Lake Havasu City	$4,000–$4,600	$4,000–$5,200	$7,437–$8,200
Yuma	$4,000–$4,500	$3,800–$5,000	$7,118–$8,000

Note: Ranges reflect starting rates. Actual costs vary by level of care needed and facility amenities.

What Does Long Term Care Insurance Actually Cover?

Long term care insurance pays benefits when you need help with two or more Activities of Daily Living (ADLs), or when cognitive impairment requires supervision. It is not limited to nursing home care — most people use benefits at home or in assisted living.

Care Settings Covered by Most LTC Policies

- In-home care (home health aides, personal care assistants)
- Adult day care programs
- Assisted living facilities
- Memory care communities
- Nursing home / skilled nursing facility
- Hospice care coordination

How Benefits Are Triggered

A claim is typically triggered when you need assistance with 2 or more of these 6 Activities of Daily Living:

- Bathing
- Dressing
- Eating
- Toileting
- Transferring (moving from bed to chair, etc.)
- Continence

Benefits are also triggered by cognitive impairment — such as Alzheimer's disease or other forms of dementia — that requires substantial supervision for personal safety.

Tax-Free Benefits

Benefits paid from most long term care insurance policies are received income tax-free. Every dollar of your benefit goes directly toward care costs — not to the IRS. This is one of the most significant advantages of LTC insurance over self-funding care.

Your Long Term Care Insurance Options

Long term care insurance is not one-size-fits-all. There are several types of policies designed for different financial situations and planning goals.

1. Traditional Long Term Care Insurance

Pays a monthly or daily benefit when you need care, with a defined benefit period (typically 2–5 years or lifetime). Premiums are lower when purchased at a younger age and in good health. Benefits are tax-free.

2. Hybrid Life / LTC Insurance

Combines a life insurance policy with a long term care rider. If you never need care, your beneficiaries receive a death benefit. If you do need care, the policy pays LTC benefits. Popular for clients who want a “money back” guarantee.

3. Hybrid Annuity / LTC Insurance

An annuity contract that includes a long term care benefit rider. Fund the annuity with an existing annuity or lump sum (1035 exchange eligible), and the policy multiplies those funds for LTC use. Excellent for clients with existing annuities who want to convert them to care coverage.

Did You Know?

You may be able to convert an existing life insurance policy or annuity into a new hybrid LTC policy using a tax-free 1035 exchange — with no out-of-pocket premium. Robert Smith can walk you through whether this strategy makes sense for your situation.

The Real Cost of Waiting

Many people delay purchasing long term care insurance because they feel healthy. But waiting has two significant costs:

1. Premiums Increase With Age

LTC insurance premiums are largely based on your age at purchase. A policy purchased at age 55 may cost 30–50% less per year than the same policy purchased at age 65. Every year you wait, you pay more.

2. Health Changes Can Disqualify You

LTC insurance requires medical underwriting. Common conditions — diabetes, heart disease, stroke history, obesity, and cognitive concerns — can result in increased premiums or denial of coverage. The best time to apply is while you're healthy.

Age at Purchase	Est. Annual Premium*	10-Year Total Cost
Age 50	$1,400–$2,200/yr	$14,000–$22,000
Age 55	$1,900–$3,000/yr	$19,000–$30,000
Age 60	$2,800–$4,400/yr	$28,000–$44,000
Age 65	$4,200–$6,800/yr	$42,000–$68,000

**Estimates for a healthy individual: $5,000/month benefit, 3-year benefit period, 90-day elimination period. Actual premiums vary by health, carrier, and benefit design.*

5 Questions Every Arizona Family Should Ask

Whether you're exploring coverage for yourself or a parent, these five questions will help you start the conversation:

1. Do I have a plan for how care will be paid for?

If your answer is “Medicare will cover it” or “we'll figure it out when the time comes,” this guide was written for you.

2. How long could my savings cover care costs?

Divide your current liquid savings by the monthly cost of care in your area. For most Arizona families, savings cover 1–3 years at most — while the average LTC need lasts 3+ years.

3. What would a care need do to my spouse's financial security?

When one spouse needs care, the financial impact falls on the other. LTC insurance protects both — paying for the spouse who needs care while preserving assets for the one who doesn't.

4. Am I still healthy enough to qualify?

LTC insurance requires underwriting. The window when you are both old enough to be thinking about this and young enough to qualify at preferred rates is narrower than most people realize.

5. Do I know what my options actually are?

Most people assume LTC insurance is either too expensive or they've missed the window. In many cases, neither is true. A free consultation costs nothing and answers everything.

One in Five Americans Over 65 Will Need Memory Care

Alzheimer's disease affects more than 7 million Americans. Memory care in Arizona averages $6,600–$8,000 per month — and the total lifetime cost of care for a person living with dementia is projected to exceed $400,000. Long term care insurance is one of the few tools that directly addresses this risk.

About Robert J. Smith

Robert Smith is the founder and president of Scottsdale Financial Group and creator of the Aging with Confidence™ platform — dedicated exclusively to long term care insurance planning for individuals and families across Arizona.

With 37 years of experience and three generations of personal caregiving experience in his own family, Robert brings a perspective that is both professionally deep and personally grounded. He has seen firsthand what happens when families are prepared — and when they are not.

Credentials

- CAP — Chartered Advisor in Philanthropy
- AEP — Accredited Estate Planner
- ChFC — Chartered Financial Consultant
- CLU — Chartered Life Underwriter
- 37 Years as a Licensed Insurance Professional in Arizona

"Bob helped us understand options we didn’t even know existed. We felt completely confident in our decision and finally have peace of mind knowing our family is protected." — Client, Scottsdale, AZ

Get Your Free, No-Obligation Consultation

In a 15-minute call, Robert can help you understand:

- What coverage would cost for your specific situation
- Which type of policy fits your health and financial picture
- Whether a 1035 exchange could fund coverage at no out-of-pocket cost
- How to compare quotes from multiple top-rated carriers

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