

LONG-TERM CARE SOLUTIONS IN 2014:

The ***Problem Has Not Changed*** but the ***Solutions Have.***

See what members of your Affinity Group are doing to protect themselves from a Long-Term Care situation.

LTCR

LONG-TERM CARE RESOURCES

Prepare for peace of mind.



Trouble Ahead!

THE DILEMMA: We are all living longer, and the harsh reality is, if we need care, it's going to be expensive, and we are not covered.



SOARING COSTS

Long-term care is already very expensive, and dramatically increasing in cost every year.



HIGH LIKELIHOOD OF NEEDING LTC

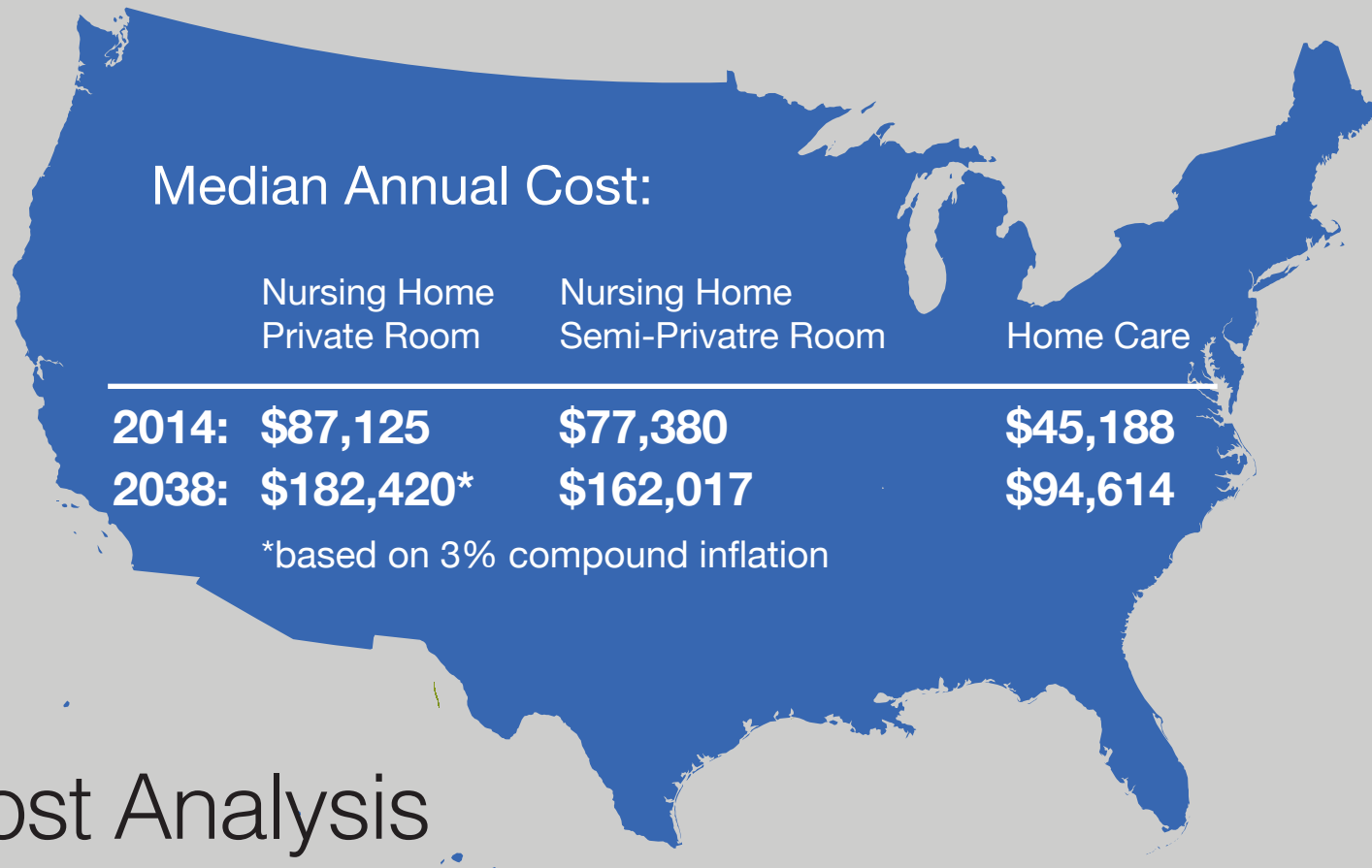
Statistically we are living longer, most of us are going to need care at some point in our lives.



NO COVERAGE

Many people are under the false assumption that they are covered by their health insurance or some government program.

Soaring Costs



Cost Analysis

Genworth 2014 Cost of Care Survey	Nursing Home Private Room	Nursing Home Semi-Private Room	Assisted Living Base Rate	Home Health Aid	Homemaker
	Average / Year	Average / Year	Average / Year	Average / Year*	Average / Year*
Year: 2014					
National Average	\$87,125	\$77,380	\$42,000	\$45,188	\$43,472
IN 24 YEARS (Projection based on the current rate of inflation)					
National Average	\$182,420	\$162,017	\$87,939	\$94,614	\$91,021

*Rates are based on needing an in-home health aid 44 hours a week for 52 weeks a year.

High Likelihood **7-in-10**



Nearly 70% of Americans who reach age 65 will use some form of long term care during their lives.
(U.S. Department of Health and Human Services)

In 2011, costs associated with long term care totaled \$224 billion or 10% of total US health expenditures.
(Centers for Medicare and Medicaid Services)

Alzheimer's and other forms of dementia are the #1 cause for claims in nursing homes.¹

¹ American Association of Long-Term Care Insurance: 2012-2013 Sourcebook for Long-Term Care Insurance Information.

You Are Not Covered

There are many misconceptions.

MEDICARE

- Federal Government health insurance program for people 65+ (hospital & medical)
- Never intended to provide long-term care
 - Provides **100 DAYS** of skilled nursing care

MEDICAID (Income/Asset Based)

- Strict income and asset requirements apply
- Primarily for facility care (home care limited)
- Access is becoming **MORE RESTRICTIVE**, harder to be approved
- Must **“SPEND DOWN”** ones hard-earned savings including retirement accounts to be eligible.

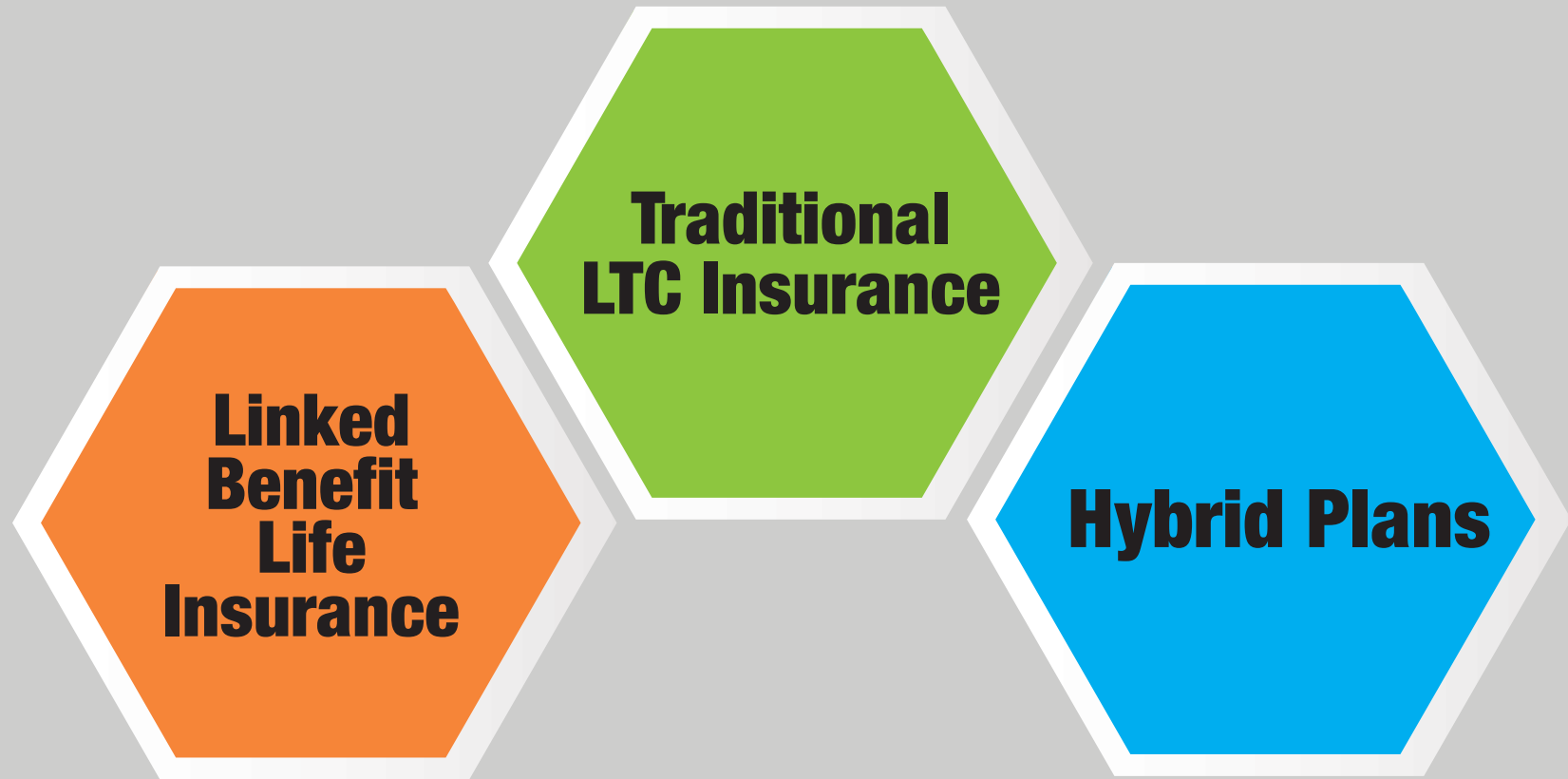
Obamacare does not regulate long-term care insurance. You must go through underwriting to qualify for LTC coverage.

THE AFFORDABLE HEALTHCARE ACT (AKA OBAMACARE)

- Pre-existing conditions are not excluded from Long Term Care coverage. You must qualify for coverage.
- Covers medical insurance claims such as physician visits and hospital care
 (“Does not cover Home Health Care, Assisted Living Facilities and Nursing Home Care - which is what Long-Term Care Insurance covers”)

The Solutions Have Changed

Education is key to determining which solution is best for you.



Insurance has become a more popular option than ever for long-term care planning.

Approximately 98,000 life combination policies were sold in 2013, an increase of 18% compared with 2012 results.
—LIMRA's 2014 Individual Life Combination Products Annual Review



EXPERIENCED

16 YEARS EXPERIENCE

**HELPED OVER 500,000
PEOPLE WITH LTCI**

LTC SPECIALISTS

**SINCE
1998**

TRUSTED

**LTC PLANNING AND SERVICES
PROVIDER TO OVER 650
ORGANIZATIONS**

- ALUMNI GROUPS
- PROFESSIONAL ASSOCIATIONS
- FINANCIAL INSTITUTIONS

650 GROUPS

Such as...ABA, IEEE, AAFP,
AAA, UCLA Alumni, NYU
Alumni...and many more.

BEST VALUE
**We shop the
market for you!**

ALL THE MAJOR BRANDS



ALL PRODUCT OPTIONS:
Linked Benefit, Hybrids, Traditional LTCI
EXCLUSIVE MEMBER DISCOUNTS*



Agent ABC
1 LTC product,
1 brand



LTCR
LONG-TERM CARE RESOURCES
LTC, Life, & Hybrid products,
All the brands

***When all you have is a hammer, every
solution is a nail. We work with a full tool set.***



EXPERIENCED



TRUSTED



BEST VALUE

THE GOAL:

**The most objectively educated
buyers in the market.**

**A totally unique solutions
planning approach.**

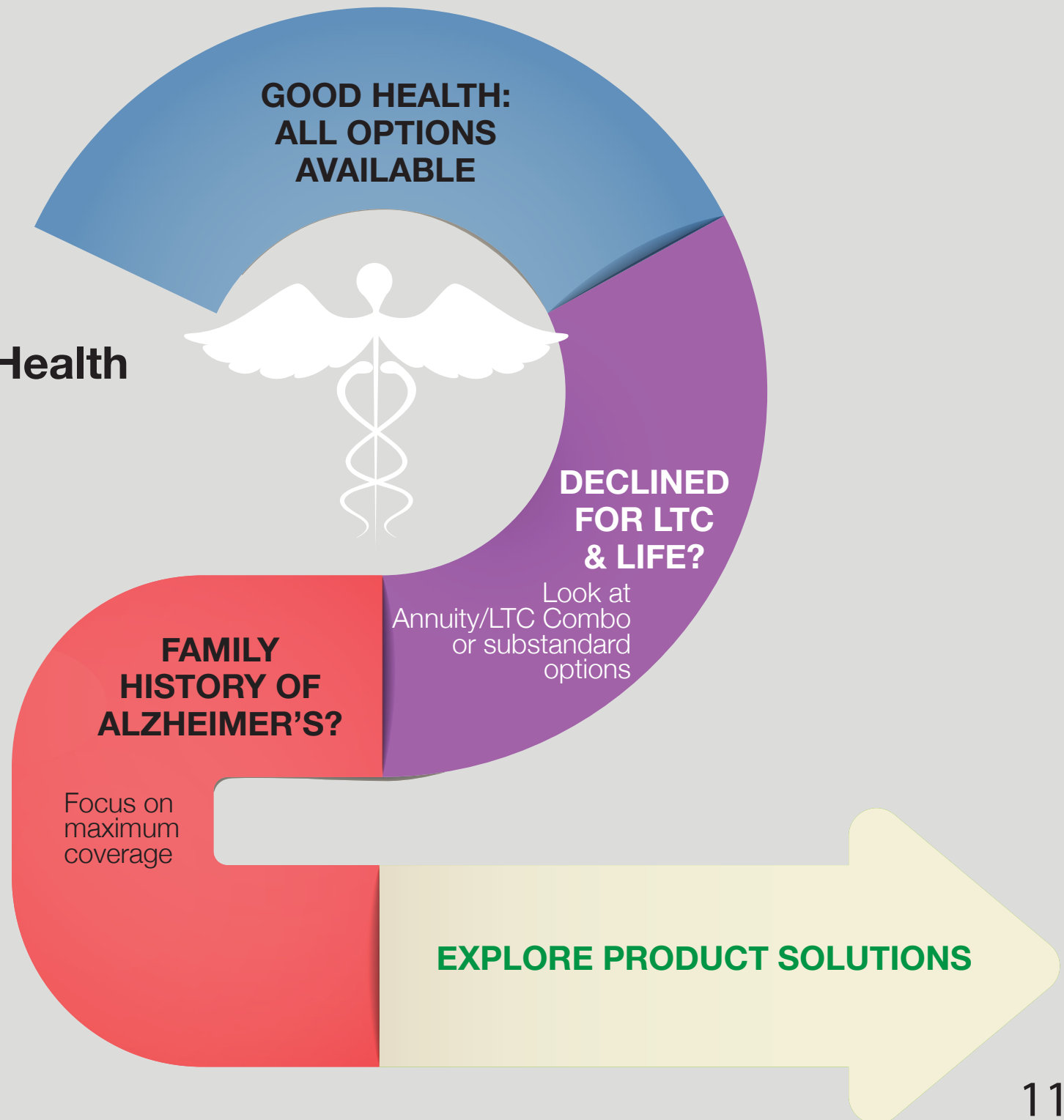
Savings!

How do we find the best value for you?



Decision Path

Starts With Your Health



Choosing The Right Solution

1

TRADITIONAL (PURE) LTC INSURANCE

A health insurance product with the largest LTC benefit (dollar-for-dollar).

2

HYBRID PLANS

A LTC and Life Insurance plan in one policy.

3

PERMANANT LIFE INSURANCE

A Life Insurance plan that can be accessed for LTC needs.



Permanent Life Insurance (with a Long Term Care Rider)

- **Lump Sum Death Benefit and/or**
- **Early Access to the Death Benefit for Long Term Care**
(Ability to Accelerate a Percentage of the Death Benefit)

Premium:



**LTC
Benefit:**

**Death
Benefit:**



PROS

- Liquidity and Tax-Free Benefits (vs. Selling Assets or Using After-Tax Income to Pay for Care).
- You have comfort knowing that eventually you (or someone you love) will receive a Benefit (LTC and/or Death Benefit).
- The underwriting can be less restrictive, so qualifying for coverage could be easier for certain circumstances.
- If you have Life Insurance needs AND Long Term Care needs, the policy can help with both.
- Offers guaranteed level premium options so that you can obtain a policy without large, upfront single premium costs.
- Ability to receive Cash Benefits for greater flexibility and easier use for International Long Term Care.
- Can build Cash Value.

CONS

- The cost of Long Term Care coverage is more expensive because you are buying Life Insurance coverage as well. (This can make “adequate” LTC coverage unaffordable.)
- Often presented as Life Insurance with “Free Long Term Care” but the LTC Insurance is not free. (Nothing is.)
- Buying one policy is convenient but you may be able to find lower cost Life Insurance and Long Term Care coverage if they are bought separately.
- You could end up with no Life Insurance coverage if you exhaust your policy benefits with LTC expenses.
- Inflation protection is costly to build into a policy.

ASK YOURSELF THIS QUESTION...

**Other than a desire for a return on your Long Term Care Insurance premium payments,
Would you be considering the purchase of Life Insurance at this time?**

Combination Life Insurance and Long Term Care Insurance (also known as “Hybrids”)

Single Premium Buys 2 Benefits

PROS

- Liquidity and Tax-Free Benefits (vs. Selling Assets or Using After-Tax Income to Pay for Care).
- You have comfort knowing that eventually you (or someone you love) will receive a Benefit (LTC and/or Death benefit).
- The underwriting can be less restrictive, so qualifying for coverage could be easier for certain circumstances.
- If you have Life Insurance needs AND Long Term Care needs, the policy can help with both.
- The Long Term Care benefit is larger with these policies than with a Life Insurance policy with a Long Term Care rider.
- Premiums are guaranteed not to increase.
- Has a Surrender/Cash Value if the policy is cancelled.

Premium:



CONS

- Some policies require single premiums (\$50,000 minimum).
- Policies with multi-pay options (10 year, 20 year or Lifetime) provide less Long term Care leverage/coverage.
- Buying one policy is convenient but you may be able to find lower cost Life Insurance and Long Term Care coverage if they are bought separately.
- You could end up with no Life Insurance coverage if you exhaust your policy benefits with LTC expenses.
- The Death Benefit is smaller with these policies than with a Life Insurance policy (with a Long Term Care Rider)
- Inflation protection is costly to build into a policy.
- Some policies allow the carrier to decrease benefits.

**Larger LTC Benefit
Smaller Death Benefit**



Again, ASK YOURSELF...

Other than a desire for a return on your Long Term Care Insurance premium payments, would you be considering the purchase of a combination Life Insurance/Long Term Care Insurance policy at this time?

Traditional (Pure) Long-Term Care Insurance

Largest Long-Term Care Benefit Pool For The Smallest Premium

Premium:



Benefit:



PROS

- Liquidity and Tax-Free Benefits (vs. Selling assets or Using After-Tax Income to Pay for Care).
- Provides specific coverage for a specific need (LTC Only) with the lowest premium.
- Most comprehensive benefits and features.
- Low premium expense allows for better utilization of your money (Buy “Pure” LTC Insurance and Invest the Difference).
- Policy may qualify for State Partnership Benefits.
- Premiums may be Tax-Deductible.

CONS

- Underwriting can be more challenging.
- Premiums may increase over time.
- Premiums may be paid without a benefit being paid.
(Return of Premium options may be available.)

What's Next?

Before we look for your personalized solution...What questions do you have ??