

WHAT IS LONG-TERM CARE?

As more Americans are living longer, long-term care planning is increasing in importance. Being proactive before care is needed can make a lasting impact on a client's quality of care, ability to maintain dignity, and their family's financial security. **Long-term care is assistance with simple everyday tasks, even as simple as eating or getting dressed.** The need for care could arise from an accident, illness, cognitive impairment, or the aging process. You may never need it. But the best time to start thinking about it is before the need arises and while you're still able to take control. **A long-term care plan may help protect you and your loved ones emotionally, physically, and financially for the what-ifs in life.** At age 65, there is a **70% chance** you will require some form of long-term care.

Why planning matters

Chances are, you'll need long-term care (LTC) at some point in your life. When you need long-term care and do not have a dedicated funding solution, financial professionals estimate that the average annual withdrawal rate from a retirement income portfolio jumps from 5% to 11%.

Why you should have a plan

Costs are expected to more than double in approximately 20 years.

Should you need long-term care, it is projected to begin around age 77 in 2038.

	Home Health Care	Assisted Living	Nursing Home Care
Monthly Cost Today	\$2,641	\$4,965	\$8,161
Annual Cost Today	\$31,697	\$59,580	\$97,933
Projected Inflation Rate*	3.0%	3.0%	3.5%
Projected Monthly Cost at Claim	\$4,366	\$8,206	\$14,647
Projected Annual Cost at Claim	\$52,391	\$98,476	\$175,758

Know your options

There are many misconceptions surrounding how long-term care expenses can be covered.

Health insurance: DOES NOT cover long-term care expenses

Medicare: May cover a portion of long-term care costs, but only up to 100 days; requires a three-consecutive-day stay in hospital under treatment, as well as other qualifiers

Medicaid: Covers long-term care expenses for individuals with countable assets of \$2,000 or less (varies by state); care may be limited to a nursing home

Adult children: Many may assume their adult children will care for them later in life, but this can present huge financial, physical, and emotional challenges for the children out of pocket. Using income and savings or selling assets may be an option; however, it may leave a surviving spouse without adequate financial resources, or reduce a legacy planned for heirs. LTC coverage can be a cost-efficient way to help protect yourself and your assets from the potentially devastating costs of long-term care.

Who will provide care should you need it?	Where will you want to receive this care?	How will you pay for it?
Long-term care events happen to the whole family, not just one person. Ensure that your clients and their loved ones are on the same page and have plans in place before the need for care arises.	Hybrid long-term care solutions offer options for care that help individuals remain independent for as long as possible.	Financial professionals project that clients who experience an unplanned long-term care event may spend their savings 2 to 3 times faster than anticipated.

Benefits Beyond Traditional LTC

- *Premiums that never increase
- *Asset growth at guaranteed rates
- *Death benefits if not used for LTC
- *Concierge Care Coordination
- *Benefits that never decrease
- *Access to funds if needed
- *Return-of-premium options

Linked Benefits

More flexibility for your future



Covered services, helping you stay independent



Covered services, helping clients stay independent

- Care at home and in your community

 - Home healthcare
 - Adult day care
 - Respite care

Facility care

 - Assisted living
 - Nursing home care
- Additional care and services

 - Alternative care
 - Hospice services
 - Caregiver training
 - Care planning
 - Bed reservation
 - International benefits

Start planning sooner rather than later

Financial professionals agreed (94%) that people wait too long before discussing their long-term care preferences and options. Wait too long and people risk having to make decisions quickly and under the duress of an immediate need.

An early start makes for more viable and better options.