

Long-term Care Awareness Month 2022

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Agenda

- Long-Term Care Awareness Month
- What is long-term care insurance and how does it work?
- Case Study 1
- Case Study 2
- Questions?

Long-Term Care Awareness Month

The good news is that people are living longer, the bad news is...

- Increased life expectancy increases the odds of needing long-term care services
- Long term care services can be expensive
- Without LTCI, you run the risk of depleting a lifetime of savings

Long-Term Care Awareness Month

What if...

- You weren't able to care for yourself?
- You were faced with providing care for a loved one?
- What would that do to the plans you've made?

Long-Term Care Awareness Month

- November was designated as National Long-Term Care Awareness Month by the American Association for Long-Term Care Assistance in 2001
- Goal of raising awareness for the emotional, physical, and financial toll long term care can take on loved ones

What is long-term care?

Long-term care refers to a variety of services for people who are unable to care for themselves.

This may be due to:

- Accident
- Disability
- Prolonged illness
- Aging

What is long-term care?

Long-term care is more than nursing home care.

Long-term care services also are available:

- In your home
- In the community
- In an assisted living facility

What is long-term care insurance?

A typical LTCI policy helps cover the cost of long-term care services, including:

- Assistance in your home with daily activities, such as bathing, dressing, meals and housekeeping services
- Visiting nurses and/or home health aides who come to your home
- Services available in your community, such as adult day care
- The cost of an assisted living community
- Nursing home care

How it works

- Most LTCI policies are triggered by not being able to do two activities of daily living or being severely cognitive impaired (Alzheimer's disease, dementia)
- Claim is initiated
- Client condition is confirmed with medical records and health examination
- Benefits may be paid by reimbursement or indemnity
- For reimbursement, health care receipts are submitted monthly for reimbursement
- For indemnity, full monthly benefit is paid to client in cash
- Once benefit is paid, premiums are waived
- Annual examination usually performed to verify that client is still chronically ill
- LTCI can also be purchased as hybrid product (LTC rider on life insurance policy or annuity)

Case Study 1

- Male, 35 years old
- Recently married
- Looking to purchase life insurance for the first time
- Limited disposable income

What would you recommend?

Prepared for

Valued Client

Male Age 35

Preferred No Nicotine Use

Policy Quoted

PL Promise Term 30

Level Premium Term Life Insurance

Amount of Insurance

\$250,000

Premium Mode

Monthly Payment: \$24.17

Annualized Premium: \$290.04

Important information about your life insurance quote

Proposed insured	Valued Client, Male, Issue age 35, Preferred, Non-Tobacco	
Base face amount	250,000.00	
Optional agreements	Accelerated Death Benefit for Terminal Illness Agreement	Chronic Illness Conversion Agreement
	Extended Conversion Agreement	

Premium payment options

If you elect either the semi-annual, quarterly, or monthly frequency, an additional charge will apply, resulting in annualized premiums that are higher than if you elected the annual frequency.

Level premium durations	Annual	Semi-annual / annualized	Quarterly / annualized	Monthly / annualized
30 year	340.13	176.86 / 353.72	91.83 / 367.32	29.93 / 359.16

¹ See Conversion Privileges section for details.



Advantage Elite Select Term

Valued Client, Male, 35, Preferred, Non-Tobacco

Optional agreements

The following optional agreements were selected for this quote. Additional agreements may be available. Agreements may be subject to additional costs and restrictions. Agreements may not be available in all states or may exist under a different name in various states and may not be available in combination with other agreements. For detailed information and limitations, please ask your agent or refer to your contract.

Accelerated Death Benefit for Terminal Illness Agreement	Provides for an accelerated payment of a portion of the death benefit if the insured is certified as having a terminal condition. The death benefit will be reduced upon payment of the accelerated death benefit for terminal illness.
Chronic Illness Conversion Agreement	<p>This agreement guarantees you the right to add the Accelerated Death Benefit for Chronic Illness Agreement without providing evidence of insurability at the time of conversion.</p> <p>Agreement underwriting class: Preferred Agreement amount: \$250,000.00</p>
Extended Conversion Agreement	Allows the insured to extend the conversion period of their term policy to the full level premium period or age 75, whichever comes first.

Total annual premium breakdown

Coverage	Age premium stops	Benefit amount	30-year contract level premium
Base premium*	N/A	\$250,000	\$315.00
Chronic Illness Conversion Agreement*	65	N/A	\$15.68
Extended Conversion Agreement*	65	N/A	\$9.45

* The premiums shown apply for the contract level premium period.

Base Policy	Percentage of Benefit Amount – Primary Insured
Heart Attack	100%
Coronary Artery Bypass Surgery	25%
Angioplasty	25%
Stroke	100%
Invasive Cancer*	100%
Non-Invasive Cancer*	25%
Kidney (Renal) Failure	100%
Major Organ Transplant	
- UNOS Registry	25%
- Transplant Surgery	75%
Advanced Alzheimer's Disease	100%
Paralysis	100%
Coma	100%
Additional Critical Illness Rider	Percentage of Benefit Amount – Primary Insured
Advanced Amyotrophic Lateral Sclerosis (ALS)	100%
Advanced Parkinson's Disease	100%
Loss of Sight	100%
Loss of Hearing	100%
Benign Brain Tumor	100%
Severe Burns	100%

*Invasive Cancer and Non-Invasive Cancer combined cannot exceed 100%.



Assurity Critical Illness

Primary Insured: Valued Client M-35
Issue Age, UW Class: 35, Male Non-Tobacco

Policy Benefit Amount: \$50,000
Total Monthly Premium: \$46.44

COVERAGE SUMMARY (continued)

The Monthly premiums for the Assurity Critical Illness policy and riders selected are as follows:

Critical Illness Policy \$50,000 Benefit Amount	\$39.99
Additional Critical Illness Rider \$50,000 Benefit Amount	\$3.95
Reoccurrence Rider	\$2.50
Total Premium	\$46.44

Case Study 1

- Client purchased Securian Advantage Elite 30-yr Term with chronic illness conversion agreement and extended conversion agreement
- Client is able to convert policy to permanent product with chronic illness rider without evidence of insurability at time of conversion
- If policy fully converted in the future, the chronic illness benefit is \$10,000 month of indemnity payments for 25 months
- Assurity Critical Illness policy covers conditions that could lead to a long term care event-stroke, cancer, advanced Alzheimer's Disease, paralysis, advanced Amyotrophic Lateral Sclerosis (ALS), advanced Parkinson's Disease
- Total premium outlay is \$76.37/month

Case Study 2

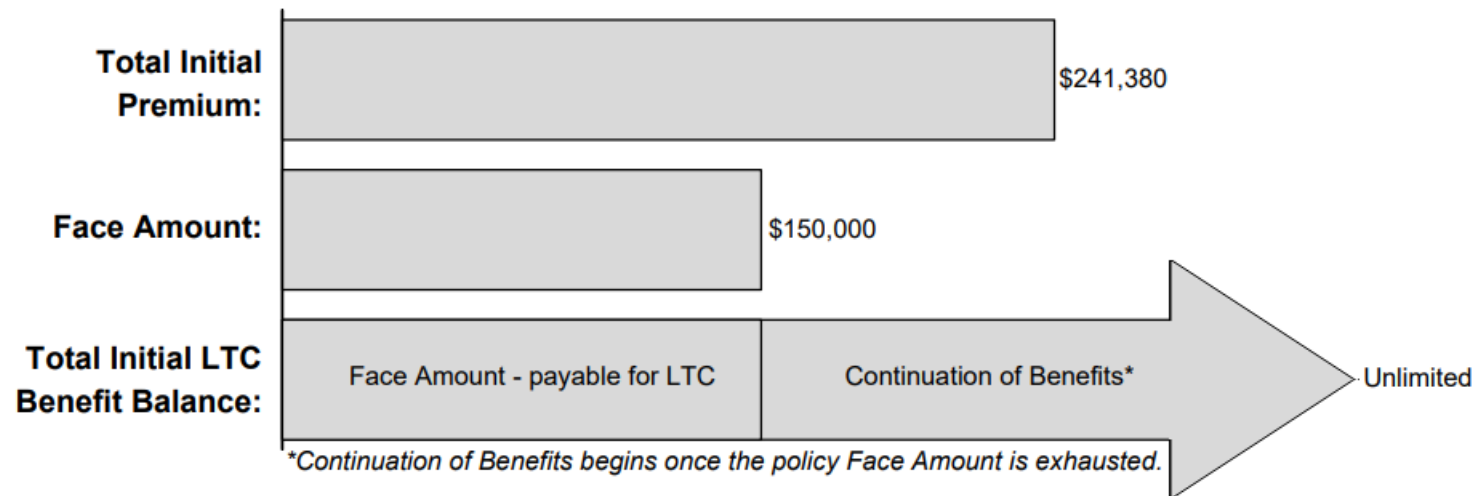
- Husband 62, Wife 60
- Husband and wife are both professionals and earn \$90,000 and \$75,000 respectively
- Husband plans to retire in 3 years, wife plans to work until age 70
- Combined non-qualified and retirement savings of \$900,000
- Mortgage paid up
- Have a daughter aged 35, engaged
- Both husband and wife in relatively good health with active lifestyle, husband takes high blood pressure and cholesterol meds, wife takes cholesterol meds
- Wife has experience with LTC as she and her sister helped care for their mother combined by paying a caregiver out of pocket as mother didn't have LTCI

What would you recommend?

State: HI

Prepared for: Valued Husband
Male, 62
Class: Non-Tobacco

Valued Wife
Female, 60
Class: Non-Tobacco



Initial LTC Benefit Limit, Per Individual:

\$4,500 Monthly
\$54,000 Annually

Initial LTC Benefit Limit, For One or Both Individuals:

\$9,000 Monthly (\$4,500 per person)
\$108,000 Annually (\$54,000 per person)

Premiums:

Single Pay Life Premium - \$66,078
Single Pay LTC Premium - \$175,302
Total Initial Premium - \$241,380

Features and Benefits:

Benefit Period - 33 Months AOB¹ / Lifetime COB²
Inflation Option - 3% AOB¹ / 3% COB²
Inflation Duration - Lifetime
Guaranteed Cash Value

End of Policy Year	Total Annual Premium	Cash Surrender Value	Death Benefit	Total LTC Balance	AOB Monthly Benefit Limit	COB Monthly Benefit Limit
1	\$241,380.00	\$52,442	\$150,000	Unlimited	\$4,500	\$4,500
2	\$0.00	\$54,401	\$150,000	Unlimited	\$4,635	\$4,635
3	\$0.00	\$56,427	\$150,000	Unlimited	\$4,774	\$4,774
4	\$0.00	\$58,521	\$150,000	Unlimited	\$4,917	\$4,917
5	\$0.00	\$60,684	\$150,000	Unlimited	\$5,065	\$5,065
6	\$0.00	\$62,918	\$150,000	Unlimited	\$5,217	\$5,217
7	\$0.00	\$65,220	\$150,000	Unlimited	\$5,373	\$5,373
8	\$0.00	\$67,593	\$150,000	Unlimited	\$5,534	\$5,534
9	\$0.00	\$70,035	\$150,000	Unlimited	\$5,701	\$5,701
10	\$0.00	\$72,545	\$150,000	Unlimited	\$5,872	\$5,872
11	\$0.00	\$75,120	\$150,000	Unlimited	\$6,048	\$6,048
12	\$0.00	\$77,757	\$150,000	Unlimited	\$6,229	\$6,229
13	\$0.00	\$80,453	\$150,000	Unlimited	\$6,416	\$6,416
14	\$0.00	\$83,199	\$150,000	Unlimited	\$6,608	\$6,608
15	\$0.00	\$85,991	\$150,000	Unlimited	\$6,807	\$6,807
20	\$0.00	\$100,304	\$150,000	Unlimited	\$7,891	\$7,891
25	\$0.00	\$113,858	\$150,000	Unlimited	\$9,148	\$9,148
30	\$0.00	\$124,407	\$150,000	Unlimited	\$10,605	\$10,605
35	\$0.00	\$131,649	\$150,000	Unlimited	\$12,294	\$12,294
40	\$0.00	\$136,569	\$150,000	Unlimited	\$14,252	\$14,252
45	\$0.00	\$139,256	\$150,000	Unlimited	\$16,522	\$16,522

MutualCare Custom Solution**Long Term Care Insurance Policy Premium Quote**

Designed for:	Valued Husband	Valued Wife
Issue Age:	60	60
Sex:	Male	Female
Rate Class:	Select	Select
Issue State:	Hawaii	Hawaii

NURSING HOME/ASSISTED LIVING FACILITY/HOME HEALTH CARE BENEFITS

	Valued Husband	Valued Wife
Package Plan:	MutualCare Custom Solution	MutualCare Custom Solution
Policy Limit/Years:	\$270,000 / 5.00 Years	\$270,000 / 5.00 Years
Maximum Monthly Benefit Amount:	\$4500	\$4500
Assisted Living Facility:	100%	100%
Home Health Care:	100%	100%
Cash Benefit - 25% of Home Health Care:	\$1125	\$1125
Calendar Day Elimination Period:	90 Days	90 Days
Inflation Protection Benefit:	3.00% Compound Lifetime (with Buy Up)	3.00% Compound Lifetime (with Buy Up)

OPTIONAL BENEFITS:

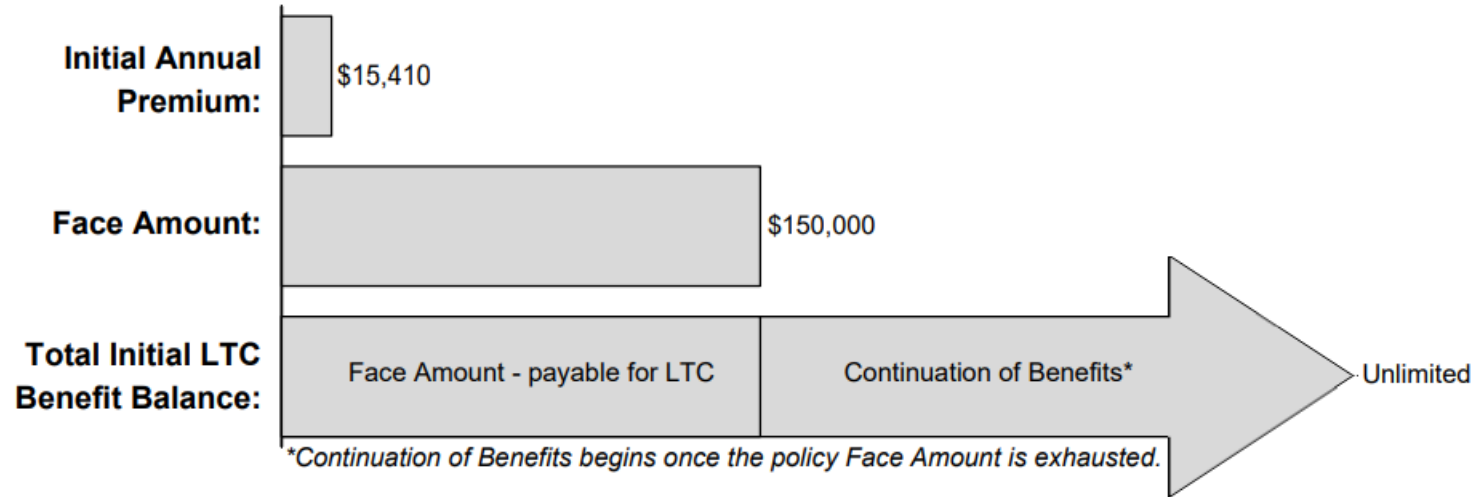
Partnership Qualified*	No	No
Nonforfeiture Benefit –		
Shortened Benefit Period	No	No
Waiver of Elimination Period – Home Health Care	Yes	Yes
Professional Home Health Care	No	No
Joint Waiver of Premium	No	No
Survivorship	No	No
Shared Care	Yes	Yes
Security Benefit**	No	
Return of Premium at Death Benefit	No	No

PREMIUM	Valued Husband	Valued Wife	Combined
MODE: Annual	\$3,559.63	\$6,586.19	\$10,145.82
Semi-annual	\$1,815.40	\$3,358.96	\$5,174.36
Quarterly	\$ 925.51	\$1,712.40	\$2,637.91
Monthly/BSP	\$ 320.37	\$ 592.75	\$ 913.12

State: HI

Prepared for: Valued Husband
Male, 62
Class: Non-Tobacco

Valued Wife
Female, 60
Class: Non-Tobacco



Initial LTC Benefit Limit, Per Individual:

\$4,500 Monthly
\$54,000 Annually

Initial LTC Benefit Limit, For One or Both Individuals:

\$9,000 Monthly (\$4,500 per person)
\$108,000 Annually (\$54,000 per person)

Premiums:

Annual Life Premium - \$3,815
Annual LTC Premium - \$11,595
Total Initial Premium - \$15,410

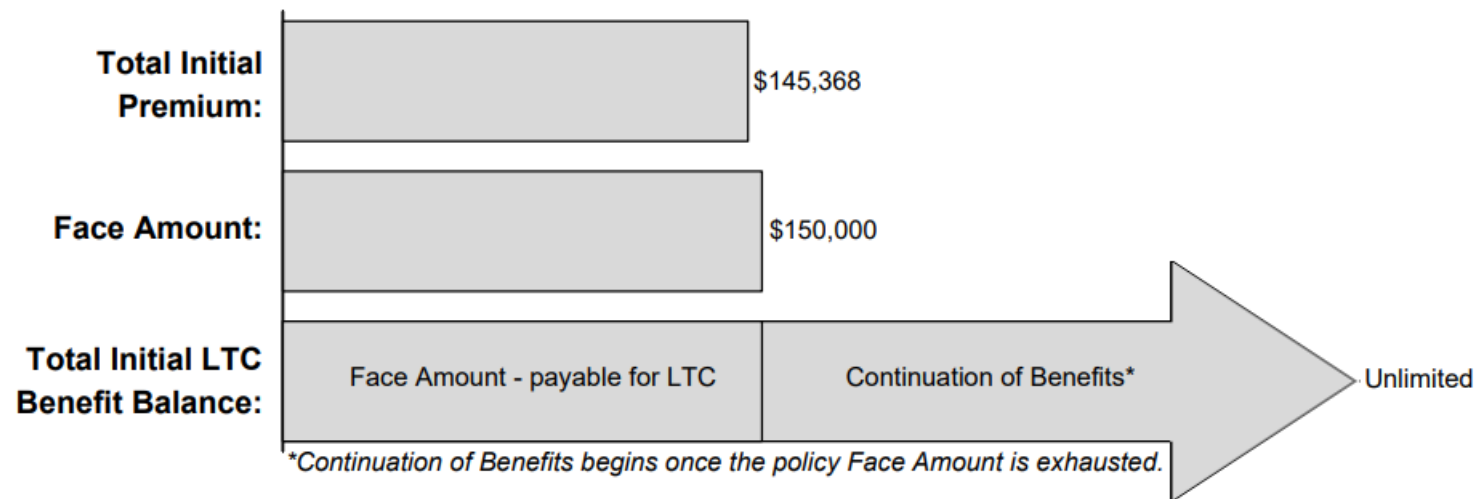
Features and Benefits:

Benefit Period - 33 Months AOB¹ / Lifetime COB²
Inflation Option - 3% AOB¹ / 3% COB²
Inflation Duration - Lifetime
Premium guaranteed to never increase
Guaranteed Cash Value
Waiver of Premium

State: HI

Prepared for: Valued Husband
Male, 62
Class: Non-Tobacco

Valued Wife
Female, 60
Class: Non-Tobacco



Initial LTC Benefit Limit, Per Individual:

\$4,500 Monthly
\$54,000 Annually

Initial LTC Benefit Limit, For One or Both Individuals:

\$9,000 Monthly (\$4,500 per person)
\$108,000 Annually (\$54,000 per person)

Premiums:

Single Pay Life Premium - \$66,078
Initial LTC Premium - \$79,290
Annual LTC Premium (Years 2 through 10) - \$14,543
Total Initial Premium - \$145,368

Features and Benefits:

Benefit Period - 33 Months AOB¹ / Lifetime COB²
Inflation Option - 3% AOB¹ / 3% COB²
Inflation Duration - Lifetime
Guaranteed Cash Value
Waiver of Premium

Case Study 2

- Purchased One America Asset Premium WL with 10-pay COB
- First year premium of \$145,368 and \$14,543 premium from years 2-10
- Policy is paid up in 10 years
- \$4,500 month of LTC benefits with a LIFETIME pool of money
- Includes 3% compound inflation

Case Study Alternative Solution



Nationwide CareMatters® II

LIFE INSURANCE WITH
Cash Indemnity Long-term Care Benefits

Dear Valued Husband,

Thank you for considering Nationwide® for your long-term (LTC) care planning needs. The proposal you're about to see was customized for you based on the following information:

Long-term care scenario

Valued Husband (Male, 62, Couple Nontobacco, Hawaii)

Premium received	Annual: \$89,525.74 Year 0 - Year 1 Total: \$89,525.74
Refund of Premium on Surrender	Maximum LTC Benefit ¹
Total Long-term care benefit	Day 1: \$286,693 Age 80: \$488,076
Maximum monthly LTC benefit	Day 1: \$4,500 Age 80: \$7,661
LTC specified benefit period	5 years
Inflation protection option	3% Compound
Specified amount (amount accelerated for long-term care)	\$108,000.00 Note: The Net Death Benefit may be higher in some years. See Net Death Benefit column of the Tabular Detail.
Guaranteed minimum death benefit	\$21,600.00
Is Sales Proposal a MEC?	Yes

Case Study Alternative Solution



Nationwide CareMatters® II

LIFE INSURANCE WITH
Cash Indemnity Long-term Care Benefits

Dear Valued Wife,

Thank you for considering Nationwide® for your long-term (LTC) care planning needs. The proposal you're about to see was customized for you based on the following information:

Long-term care scenario

Valued Wife (Female, 60, Couple Nontobacco, Hawaii)

Premium received	Annual: \$11,490.89 Year 1 - Year 10 Total: \$114,908.90
Refund of Premium on Surrender	Maximum LTC Benefit ¹
Total Long-term care benefit	Day 1: \$286,694 Age 80: \$517,801
Maximum monthly LTC benefit	Day 1: \$4,500 Age 80: \$8,128
LTC specified benefit period	5 years
Inflation protection option	3% Compound
Specified amount (amount accelerated for long-term care)	\$108,000.23 Note: The Net Death Benefit may be higher in some years. See Net Death Benefit column of the Tabular Detail.
Guaranteed minimum death benefit	\$21,600.05
Is Sales Proposal a MEC?	Yes

Case Study Alternative Solution

- Husband purchases single-premium Nationwide CareMatters II for \$89,525.74
- Wife purchases 10-pay Nationwide CareMatters II with an annual premium of \$11,490.89
- Both get 5-year benefit plan with \$4,500 of monthly benefit and 3% compound inflation
- Both get a death benefit of \$108,000 should they never use the policy for long-term care and a minimum death benefit of \$21,600 should they use all the long-term care benefits in the policy

So...

Do you still want to take a chance of having your clients experience a life changing event that would have devastating consequences for their family?

Then, make sure to educate your clients during Long-Term Care Awareness Month.

Any Questions?

Thank you!

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