

FINANCIAL READINESS

BY THE NUMBERS

STRATEGIES FOR REACHING YOUR SPECIFIC GOALS.

ASSET-BASED APPROACH TO LONG-TERM CARE

70% of people turning age 65 can expect to use some form of long-term care (LTC) during their lives¹. An alternative to traditional LTC is asset-based LTC which is a life insurance product offering an LTC benefit, guaranteed premiums, tax-free death benefit and potential liquidity.

Review the hypothetical case study for a look at one way you can utilize asset-based long-term care to meet your individual goals.

BEN'S HYPOTHETICAL STORY:

Ben Michaels, age 60, is concerned about LTC expenses as he gets older, but is reluctant to purchase LTC insurance because of the premium uncertainty, and he doesn't want to pay for something he may never utilize. He has \$100,000 of non-qualified funds available, but is not sure what his options are.

◀ **FLIP TO SEE THE NUMBERS**



THE HYPOTHETICAL SOLUTION:

After reviewing asset-based LTC and stand-alone LTC with his financial professional, Ben chooses an asset-based LTC product utilizing life insurance.

The need for living benefits: \$102,911 is the national average annual cost of a private room in a nursing home².

THE HYPOTHETICAL NUMBERS:

Assumptions:

Male • Age 60 • Preferred • Non-Smoker • Deposit: \$100,000 (non-qualified dollars)

BENEFITS	Asset-Based LTC
Single Premium	\$100,000
Guaranteed Lifetime Monthly LTC Benefit	\$5,001
Guaranteed Tax-Free Death Benefit	\$125,027
Access to Cash Value at Age 70	\$76,540
Access to Cash Value at Age 85	\$101,553

In this hypothetical solution, Ben can utilize the \$100,000 single premium payment to gain access to a lifetime LTC benefit of \$5,001 per month, a guaranteed tax-free death benefit of up to \$125,027 should he pass away, and access to a cash value amount if he decides he no longer needs the LTC benefit. Should Ben need to access his LTC benefits, he would also receive a service known as Concierge Care which can work with Ben and his loved ones to simplify the LTC process, coordinate services and file a claim.

Interested in how this scenario can work for your situation?

Contact me today!

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¹Source: US Department of Health & Human Services, "Medicare & You 2015"

²Source: "2017 Lincoln Financial Group What Care Costs Survey" conducted by LTCG, January 2017.