

Top Five Questions Answered on Long-Term Care Insurance



Question 1: Should I wait to own a policy?

Answer: No. It will cost more and could prevent owning coverage.

Waiting 5 years to buy costs about 10% more in premiums over your lifetime, assuming your health doesn't change in those 5 years.

Question 2: How does it work?

Answer: There are four primary parts to your benefits², based on amounts and time.

How much? The maximum total benefit available to you. Options often range from \$50,000 to \$500,000. Some plans have unlimited maximums.

How fast? The maximum monthly benefit available. Options often range from \$1,500 to \$10,000.

Growth rate? Determines benefit growth. 3% annual compound is common, meaning your How Much and How Fast will double in about 24 years.

Deductible? An Elimination Period impacts what you pay before benefits are paid. Typically benefits become available after 90 days of care.

Question 3: How much coverage should I own and what will it cost?

Answer: It's a balance – meaningful benefits and meeting budgets.

The average policy starts with benefits of about \$141,500 maximum and \$3,800 monthly, each growing 3% a year. The average monthly premium is \$163.66 with 20% of plans costing under \$100 a month.¹

Question 4: Are there tax savings?

Answer: Yes, benefits are tax-free and your premiums may qualify for state and federal tax benefits.

Generally, premium deductions or credits are better for businesses/self-employed. Consult a tax advisor as laws can change.

Question 5: What should I look for in a policy?

Answer: There are many ways to customize your plan.

Some policies provide death benefits if you don't need care, others guarantee rates will never change, some provide coverage that is shared by a couple, and there may be options to pay a single premium or pay over 10 or 20 years or your lifetime. Work with a specialist to help customize a plan to your needs.

Learn more: (844) 289-0898

1. Policy premium and benefit averages based on LTCI Partners, LLC sales data, January 1, 2017 – December 31, 2017. Average policy maximum was \$141,524 with average monthly benefit of \$3,792. 2. The long-term care insurance policy describes coverages under the policy, exclusions and limitations, what you must do to keep your policy in force, and what would cause your policy to be discontinued. Please contact your licensed agent for more information, costs and complete details on coverage. Availability of policies, features and benefits may vary by state. If available, invitations for application for LTC Insurance are made through LTC Partners, Lake Forest, IL, an NFP owned firm. LTCI Partners or its licensed representatives are licensed in all 50 states and the District of Columbia. License numbers are available upon request. LTCI Partners, LLC receives commissions from insurance carriers, which include compensation based on total quantity and quality of insurance coverage.