

LIFESECURE INSURANCE COMPANY



Long Term Care Insurance

Educational Overview



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Policy Form Series: ICC17-LS-LTC-0006
LS-LTC-0006



What is Long Term Care (LTC)?

Long term care is the assistance a person may need with the basic activities of daily living – eating, bathing, dressing, transferring, toileting, and continence. It can also include supervision needed to protect a person's health and safety. The need for long term care may develop from things such as an accident, illness, stroke, advanced age or other chronic condition such as Alzheimer's, dementia or Parkinson's disease. Long term care consists mainly of personal care rather than medical care, which is typically covered by a health plan.

Long Term Care can be provided...

- In your own home
- At an adult day care center
- In an assisted living facility or nursing home



Long Term Care vs. Medical Insurance

FOCUS ON CARE



Long Term Care Insurance

Typically covers:

- Custodial care when recovery is unlikely
- Home care and assistance with daily tasks such as eating, bathing and dressing
- Visits to an adult day care center to provide respite care for caregivers

FOCUS ON CURE



Medical Insurance

Typically covers:

- Doctor visits, tests and initial diagnosis
- Specialty visits, labs, hospitalization
- Skilled Nursing, Rehab, Occupational Therapy, Physical Therapy
- Medications

How much could long term care cost?

Type of Care	National Median Rates ⁴	Average Annual Costs ⁴
Home Care	\$22 (per hour)	\$45,760 based on 40 hrs/week
Assisted Living Facility	\$3,750 (monthly)	\$45,000
Nursing Facility (private room)	\$267 (daily)	\$97,455

⁴ Genworth Cost of Care Survey 2017.

In many instances, families without long term care insurance may have to resort to withdrawing money from their savings and other retirement investments to pay for these types of services when a loved one needs care.

Paying for Long Term Care

LTC services are not typically covered by medical insurance plans.

[Medicare](#) may help pay for limited LTC services under certain circumstances, but often doesn't meet long term care needs. [Medicaid](#) has specific rules and income requirements that can require recipients to spend down their savings and assets to meet state poverty guidelines.

Some people rely on care from [family and friends](#), but it can impact the financial, physical and emotional health of entire families.

While an option for some, [saving and paying for long term care out of your own pocket](#) can be very difficult for most families. Just a few years of long term care could potentially deplete a lifetime a savings.

Planning with [long term care insurance](#) can help protect your finances, provide peace of mind, and let you decide where care would be received.



How much coverage is enough?

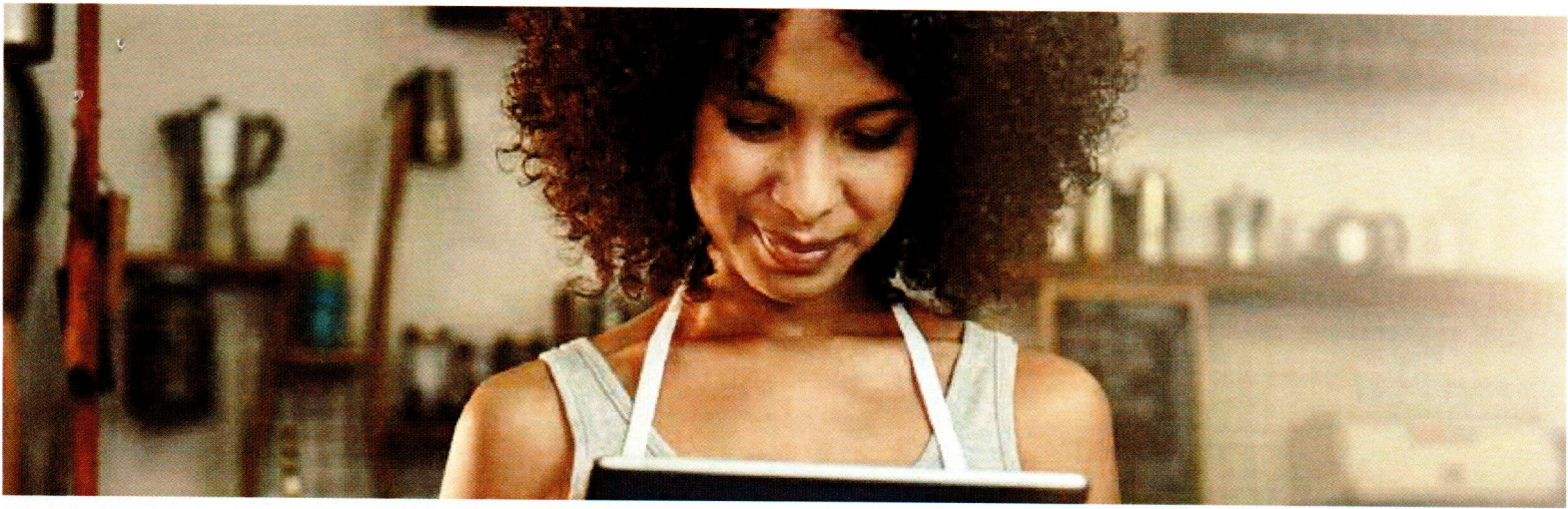
It depends.

These factors can help you determine the right of coverage for your unique situation.

Your gender	→	On average, women are more likely to require long term care services than men (at age 65). ⁵
Your family health history	→	You may be at an increased risk for a chronic condition such as Alzheimer's disease, cancer, diabetes or stroke if a close family member has had one or more of these conditions.
Your budget	→	Select a plan design with a premium that fits within your current budget. It's a good idea to apply for coverage now while you are younger and likely healthier.
Where you plan to retire	→	The cost of long term care services can vary greatly depending on where you live.
Where you wish to receive care, if needed	→	Long term care costs vary based on where services are received (at home, in the community, at an assisted living facility, or at a nursing home).



⁵ HHS Office of the Assistant Secretary for Planning and Evaluation Office of Disability, Aging and Long-Term Care Policy. ASPE Issue Brief. Long-Term Services and Supports for Older Americans: Risks and Financing. Washington, D.C. 20201. Revised February 2016.



When should you buy LTC insurance?

Some people wait to apply for long term care insurance, believing they will actually save money by paying a higher premium rate for fewer years of coverage versus purchasing a policy at their current age, paying a lower premium rate for a longer period of time. **Waiting to purchase a long term care insurance policy could actually increase the total amount of premium you would pay by thousands of dollars.**

Age at Purchase	Annual Premium*	Paid to Age 85	Cost of Waiting
30	\$351	\$19,305	N/A
40	\$482	\$21,690	\$2,385
50	\$698	\$24,430	\$2,740
60	\$1,162	\$29,050	\$4,620

* The annual premium shown is based on a Benefit Bank of \$100,000 and a \$2,000 Monthly Benefit, for a single person.

Premiums are for illustrative purposes only and may vary based on state and applicable discounts. Illustration above assumes policyholder begins a claim at age 85.

Keep your options open

Why consider a Long Term Care Insurance Plan from LifeSecure?

We provide a different kind of insurance experience. LifeSecure offers:

- **a SIMPLE, flexible LTC solution** - Everyone's care needs are unique and we want you to decide which care option is best for you and your family. Our plan design offers flexibility by providing coverage for a broad range of providers and services.
- **an EASY to understand product design** - Unlike other long term care insurance products, LifeSecure uses a simple Benefit BankSM design, with few riders. We remove the confusion, making it easier to choose the coverage you want.
- **an AFFORDABLE option to help you protect savings and assets** - If you thought long term care insurance was out of reach - think again. We give you the power to select your coverage level and premium based on your perceived needs and personal budget.

About LifeSecure

LifeSecure Insurance Company was founded in 2006 as a Michigan-based insurance company, which quickly expanded to a national presence. LifeSecure is dedicated to providing a different kind of insurance experience to help create a better future for our customers.

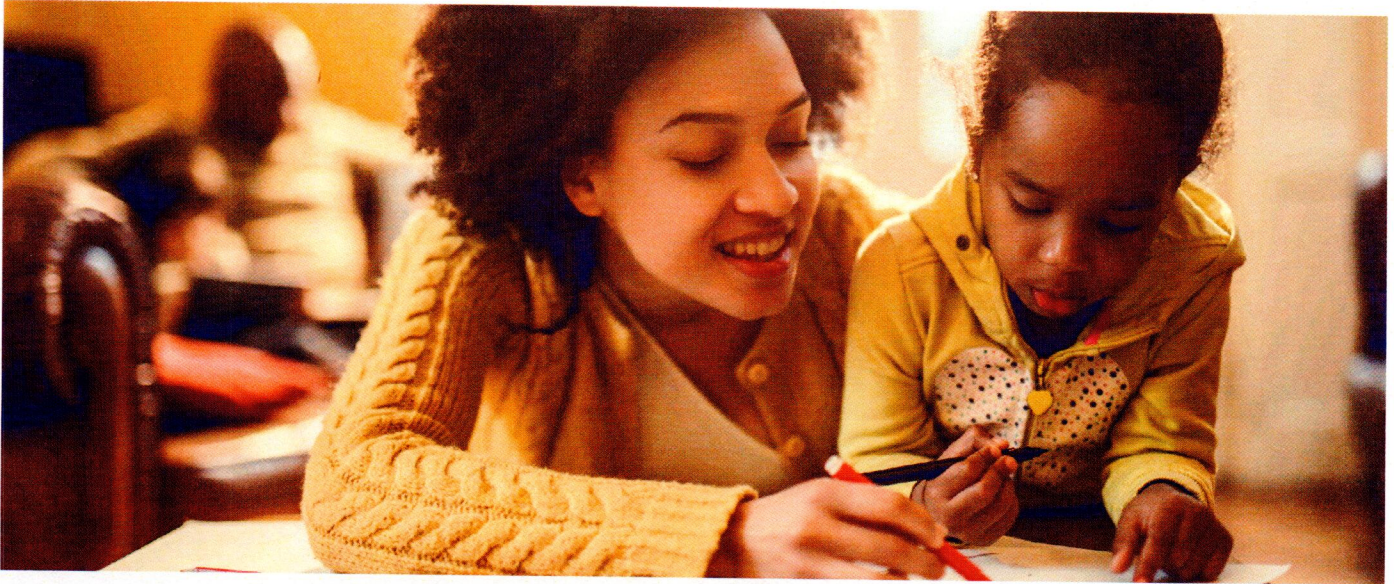
We are proud to offer a long term care insurance product that continues our tradition of simplicity and flexibility. Our straightforward Benefit Bank design and optional benefits help individuals and families find the right amount of coverage to meet their own personal needs!

For more information, visit us at YourLifeSecure.com

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Can you afford to pay for care?



Protecting your savings against the possibility of needing long term care is an important consideration for any financial plan. If you needed long term care...

- How would you pay for care?
- Who would take care of you and where would you live?
- What effect might it have on your family?

Without a long term care insurance plan in place, your care options may be limited and potential expenses could result in significant out-of-pocket costs - affecting your savings and assets. The national average cost for one year in a nursing home is more than [\$97,000]¹.

Planning with long term care insurance can help protect your family, your finances and give you peace of mind for the future.

¹ [Genworth Cost of Care Survey 2017.]

YourLifeSecure.com

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