



Long Term Care Webinar

May 20, 2021

Questions and Answers

1. Does the payout cover only out-of-home care, or in-home care, too?
It covers both in home or facility care.
2. Is the policy tax qualified?
Yes, these plans are tax qualified.
3. Can you provide some general parameters regarding the need to protect assets from Medicaid and Medical if one has LTC insurance?
In order to qualify for Medicaid, you would need to spend down all your own assets in order to receive assistance. If you have an LTC partnership qualified policy (you must have inflation growth on policy to qualify), you can protect whatever dollar amount the policy paid towards your care in assets. For example, if your policy paid \$300k in benefits then you exhausted your coverage and still need more care, you get to keep \$300k from Medicaid's spend down rule. *Not all states offer Partnership Protection.
4. Who decides if I can get my benefits from the policy?
The carrier will refer to your personal physician's Plan of Care or recommendation.
5. If I buy a policy, how old do I have to be to get my benefits from it?
There is no age requirement. You can access your benefits immediately after purchasing.
6. What if I become disabled due to an accident just months after I started my policy? Example, I have a stroke, recover after using my LTC benefits. Do I still have anything left in case I relapse?
If you did not use all the money in the policy on the first claim, then yes, you still have access to what's left for future claims.
7. What happens if I buy the coverage and I never use it, do I get a refund of any kind?
Only if you purchase a hybrid with residual value. Traditional, stand-alone plans do not have residual benefits if never used.
8. If I move from one state to another, will I be able to use my insurance in the new state?
Yes.
9. What is performed in the "Audit" portion in the LTCR Plus program? And how quick can they be performed in your need care?
This service provides detailed assessments and regular auditing on the quality of care a family member is already receiving. Once you contact the concierge service and they do an intake, it should be available within a few days.



Long Term Care Webinar

May 20, 2021

10. What if I use up my benefits in my policy and I still need care?
Then you will have to use your assets to pay for care.
11. Is the Alumni Association discount available for my spouse? **Yes**. And can I buy a plan that both my wife and I can share the benefits, so that either one of us can use it? **Yes**.
12. What if I buy a policy and then many years later, I can't afford to keep it?
Just like any other insurance, you will forfeit the coverage if you do not pay the premiums. You can avoid this by pursuing hybrid or paid-up plans.
13. What kinds of health issues will stop me from getting covered? Are there pre-existing condition exclusions?
Yes, there are certain conditions that will exclude one from coverage: Parkinson's, MS, etc. However, most conditions are eligible depending on stability or severity.
14. How long does it take to get access to benefits of the LTCR*plus* program?
Immediately.
15. Can I enroll a family member into the LTCR*plus* program? **Yes**.
16. What benefits are there for buying through the AIP as opposed to by myself?
Discounts, various underwriting advantages and the service for life. The LTCR*plus* program benefits as well.
17. Will LTC payments increase over time? Any type of cap on increases?
Traditional plans with ongoing premiums are subject to future rate increases. No, the carrier can request whatever they like, however, the final say is up to the department of insurance, not the Carrier.
18. Are costs by state available for all states?
Yes, the cost of care map will show current and future potential costs for all 50 states.
19. Since costs vary by region of state (e.g., urban vs rural), are regional costs available?
Yes, the cost of care map allows you to select a state and then a region / metropolitan area within the state.
20. Are you able to share which top rated carriers we have access to through this program?
Mutual of Omaha, National Guardian Life, Nationwide, Lincoln Financial, One America and Securian.



Long Term Care Webinar

May 20, 2021

21. Is there an additional charge for legal services?
Not for the general items mentioned, Power of Attorney, Medical directives, Wills, etc. If you require more intricate items, there may be.
22. Is there a chart of long-term care costs by state available on your website?
We use Care Scout. Click the link and simply type in your zip code for costs.
<https://www.genworth.com/aging-and-you/finances/cost-of-care.html>
23. Does one continue to pay premiums even while receiving benefits?
Not with traditional ongoing plans but if you select a specific pay period on a hybrid then you must pay off that amount.
24. If you plan to retire to a different state, do you purchase a plan based on the retirement state?
You must purchase a plan in the state you reside in. We can however, design the coverage to suit the state you plan on retiring in.
25. Do plan options have a max cap or max duration for coverage?
Yes, most do and this is decided when you purchase the plan. We do have a couple of options with unlimited durations but not unlimited monthly amounts.
26. The website calculator has the following statement: Couples/partners applying with the same benefits will receive one premium for both applicants that is based on the oldest aged individual and the rate for a female at that age. Does this mean that two partners will pay one premium?
With some plans, yes. Not all carriers do this though. Some have discounted rates for two people but individually itemized premiums.
27. Would weight of a person be a condition for qualifying for coverage?
Yes. They have minimum and maximum build charts for each applicant.
28. What about lower BMI spectrum?
Lower BMI would be a risk especially if one has Osteoporosis or history of falls and fractures.
29. We have an LTC plan for our father, purchased years ago, that returns the paid-in premiums upon his death (in addition to paying lifetime benefits while he needs care). Do plans like this still exist?
Yes they do. This would be a hybrid.



Long Term Care Webinar

May 20, 2021

30. How is LTC compensated and does that drive us to a particular policy that pays you (LTCR) more compensation?

Commissions are paid when a policy is purchased. This does not come from the policyholders costs. Most carriers have the same compensation grid so it would not sway an agent one way or another. We look at overall coverage/cost and eligibility for each individual client and what suits them best. I prefer to run all options and let the client decide.

31. Do you offer Colorado LTC Partnership plans?

Yes we do.

32. On the rate calculator, why is female premium higher than male premium?

The rates are gender based as well as age. Since females statistically live longer, they are more expensive to insure for LTC. This is also why men are more expensive for life insurance -- due to higher mortality rates.

33. What circumstances would make sense for standard vs. hybrid? How would someone decide?

It would boil down to need and cost mostly. You would ask yourself if the return of premium or death benefit is worth the additional cost.

34. What are the options for non-US citizens / non-US residents?

You must be a US citizen or green card holder to purchase an LTC plan.

35. I heard a 18% to 95% rate increase after 20 years. What prevents a company from offering a low, tease me premium?

You really won't see a low, "tease me" premium today. Those plans were sold with very low rates, little underwriting and 5% inflation growth. The assumptions back them were way off. Today, it's extremely difficult to qualify. The costs are a lot higher initially and they have limited what you can purchase. You will most likely see a rate increase if you are 65 or under but we don't think we will see 95%.

36. Are there any traditional policies which give a return of premium?

Yes, you can add the return of premium rider, but it only pays upon death. There is no surrender value on these.

37. What benefits are there for buying through The AIP as opposed to by myself?

Discounts, multiple carrier options, agents who specialize in LTC, various underwriting advantages and the service for life. The LTCRplus program benefits as well.