



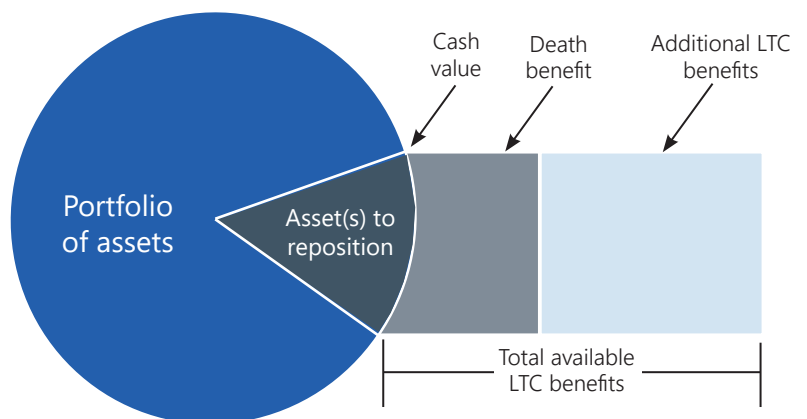
# Protect Your Clients and Their Assets from Extended Care Costs

Extended care is a life-changing event that could have significant, unintended impacts on your clients' lives, families, businesses, retirement incomes, and ability to keep financial commitments.

There are several asset-based (i.e., life insurance or annuity) long term care (LTC) products that may be an appropriate solution to help your clients with future extended care expenses. Protecting their assets and repositioning a portion of them into this type of plan can help them cover costs related to LTC. Also, if your clients do not need care, their assets will be available for others or can become a legacy to pass on to their beneficiary(ies).

## Repositioning your clients' asset(s) into a life insurance-based hybrid LTC policy can provide:

- LTC benefits
- Tax-free life insurance death benefit
- Potential for cash value accumulation
- Flexibility with policy design
- Level premiums
- Optional riders with a return of premium or continuation of benefits for LTC feature\*





## Did You Know?

**70%** of adults age 65 will need LTC in their lifetime.

**20%** will require LTC for more than five years.<sup>1</sup>

### Case Study:\*\* Maturing CD

#### Client Summary

- Female, age 60
- Current liquidity: \$1.5 million
- Mostly held with CDs and short term investments
- \$100,000 CD coming due, open to other options
- Financial plan shows she has enough to retire and live comfortably
- Could self fund potential LTC costs or reposition CD
- Interested in a hybrid LTC policy

#### Solution

Reposition her current asset in the CD and use the funds to pay for a hybrid LTC product. By doing this, she will significantly increase her LTC benefit, helping protect herself from LTC costs. If she never needs care, she will have a tax-free death benefit to pass onto her heirs.

	Current Assets	Hybrid LTC Policy
Today	\$100,000	\$415,107
<b>Age 88</b>	<b>\$228,793</b>	<b>\$949,736</b>
Tax	With tax on interest out of pocket	LTC benefits received are tax free
	In 40 years, yields \$326,204 (if taxes paid out of pocket)	If no LTC benefit paid, minimum death benefit of \$128,349 is available
	Assumes annual rate of 3%	Policy on a female, age 60, non-smoker, couples rate, 3% inflation

Contact your Crump Long Term Care Solution Center Sales Team at 800.678.4582.



<sup>1</sup>How Much Care Will You Need? "Longtermcare.gov. <http://longtermcare.gov/the-basics/how-much-care-will-you-need>.

<sup>2</sup>Policy riders are available at an additional cost and may not be available for all products or in all states. Terms and conditions apply.

<sup>3</sup>Case studies are offered to show how Crump can provide valuable assistance to financial professionals seeking insurance solutions for their clients. Results may vary. This is a hypothetical example and does not guarantee a similar result.

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