



Long Term Care Insurance



LifeSecure is a trademark of LifeSecure Insurance Company, 10559 Citation Drive, Suite 300, Brighton, MI 48116. Our long term care insurance product is individually underwritten by LifeSecure Insurance Company and may require a medical exam. Availability of benefits, amounts, options and discounts may vary by state. Only the insurance policy can give actual coverage amounts, terms, conditions, limitations and exclusions. Refer also to the Outline of Coverage. Premiums may increase. There is a 65 day grace period for premium payments. This is an insurance solicitation and sales presentation. An agent may contact you.

LifeSecure Insurance Company - Brighton, MI

ICC13-LS-LTC-0302

LS-LTC-0302 ST 01/13

Policy Form: ICC13-LS-LTC-0004 & ICC13-LS-LTC-0005

LS-LTC-0004 ST 01/13 and LS-LTC-0005 ST 01/13



About LifeSecure

- Founded in 2006
- Offering long term care insurance (LTCi) and other supplemental health insurance products
- Licensed in 46 states + District of Columbia (DC)
 - LTC available in 45 states + DC; pending in VT

What We Will Cover Today

- Common myths about Long Term Care (LTC)
 - What it is and what it is not
 - Why be concerned about LTC
 - How much does it cost
- The LifeSecure LTC insurance plan
 - Standard Features
 - Optional Riders
 - Other Resources
- Receiving benefits and the claims process
- Why purchase now?

“With long term care
the focus is on caring, not curing.”

“Caring” versus “Curing”

Types of Long Term Care

- Personal
- Supervisory
- Skilled

Services can be received in a variety of places

- At Home
- Assisted Living Facility
- Nursing Facility or Hospice Care Facility
- Adult Day Care Center

LTC Insurance Provides Coverage that Health Insurance Does Not.

Long term care is **not**:

- **Medical insurance** which is focused on prevention, recovery, restoring health, and cure
- or **Disability insurance** which provides income when you cannot work

Where LTC Insurance Fits In



Why Be Concerned about LTC?

- 7 in 10 working age adults are concerned they may need LTC services*
 - Growing demands on the “Sandwich Generation”
 - Medicare
 - A senior health insurance government plan
 - Covers skilled care designed to improve an individual’s health condition – not personal care
 - Medicaid
 - A government program
 - Pays for certain LTC services if you meet state-specific poverty guidelines
- * Long-Term Care Cost Study, Prudential Research Report, 2010

National Averages

Cost of Long Term Care

Type of Care	Average Costs	Average Annual Costs
Home Health Aide Services	\$21 (per hour)	\$43,680 based on 40 hrs per wk
Assisted Living Facility Private One Bedroom	\$3,550 (monthly base rate)	\$42,600
Nursing Facility Private Room	\$248 (daily rate)	\$90,520

Costs are rounded to the nearest dollar and based on the MetLife Market Survey of Long-Term Care Costs, Mature Market Institute, November 2012

LTC Insurance Plan Design

Simple & Easy to Understand:

- **Choose a Benefit Bank**
 - Any amount between \$100,000 and \$1,000,000
- **Choose a Monthly Benefit**
 - 1%, 2% or 3% of Benefit Bank

(Minimums: In WI: \$1,800; In SD: \$3,000)

Benefit Bank		Access Limit		Monthly Benefit
\$300,000	X	1%	=	\$3,000

A \$300,000 Benefit Bank and a 1% Access Limit would provide access to \$3,000 per month.

Notes:

- 3% Access Limit is not available with Benefit Banks over \$500,000
- For employees or members of multi-life worksites – additional health questions are required for certain Benefit Banks

Benefit Payout Structure

	Example 1	Example 2
Available Monthly Benefit	\$3,000	\$3,000
Licensed Care Expenses (reimbursable)	\$1,000	\$0
Unused Monthly Benefit	\$2,000 x 50%	\$3,000 x 50%
Available Flexible Benefit	\$1,000	\$1,500

The Flexible Benefit may be used without simultaneous use of licensed services.

How will it pay out?

- Defined long term care services are reimbursed up to the **full** Monthly Benefit
- Flexible Benefit – up to **50%** of your unused Monthly Benefit:
 - Informal care provided by friends or family members, including your spouse*
 - Home modifications
 - Care-related products or personal supplies

* The definition of spouse includes: domestic partner; in DC = legal partner; in HI = reciprocal beneficiary; in MT = cohabitant)

Standard Features

- Flexible Benefit
 - Guaranteed Future Purchase Offers (GFPO)*
 - 90-day Benefit Wait Period (calendar days)
 - International Coverage Benefit
 - Waiver of Premium
 - Spouse Discount
- * GFPO is not included if an optional automatic inflation benefit rider is chosen.

Optional Riders

- Compound Inflation Benefit (3% or 5%)
- Shared Care
- Money-Back Promise
- Non-forfeiture Benefit

Optional riders are available for an additional premium.

Sample Premiums

Age	Benefit Bank	Monthly Benefit	Monthly Premium
40	\$300,000	\$3,000	\$41.58
50	\$300,000	\$3,000	\$56.91
60	\$300,000	\$3,000	\$92.87

How Much Will It Cost?

Monthly Premiums are for illustrative purposes only and may vary based on available discounts and type of rate class. Premiums shown are for the preferred rate class for a married female with spouse/partner applying and issued. Long term care insurance is individually underwritten.

Each applicant may or may not be approved for coverage based upon current and/or past health conditions.

How Long Will It Take to “Break-Even”?

If you paid premiums for THIS MANY YEARS...	you could pay THIS MUCH IN PREMIUM...	and it could take THIS LONG to recover an equivalent amount of expense.
15	\$14,640	146 days
20	\$19,520	195 days
25	\$24,400	244 days

Illustration assumes you are spending approximately \$100 per day for long term care services. Premium is rounded to the nearest dollar. Annual premium rate = \$976 (based on the preferred rate class for a Benefit Bank of \$300,000 and a \$3,000 Monthly Benefit, for a single female age 50, and with no Guaranteed Future Purchase Offers accepted).

Rates are for illustrative purposes only and may vary based on available discounts and type of rate class. Costs of care can also vary based on setting and geographical area. Long term care insurance is individually underwritten.

SOURCE: MetLife Market Study of Long Term Care Cost, Mature Market Institute, November, 2012

You may be wondering whether it makes more sense to purchase long term care insurance while you are **younger** or wait until you are **older**.

The Cost of Waiting

Age at Purchase	Annual Premium	Paid to age 85	Cost of Waiting
30	\$558	\$30,690	N/A
40	\$713	\$32,085	\$1,395
50	\$976	\$34,160	\$3,470
60	\$1,592	\$39,804	\$9,114

The annual premium shown is based on the preferred rate class for a Benefit Bank of \$300,000 and a \$3,000 Monthly Benefit, for a single female, and with no Guaranteed Future Purchase Offers accepted.

Rates are for illustrative purposes only and may vary based on available discounts and type of rate class.

Claims Process

Eligibility for benefits

- Inability to perform 2 of 6 Activities of Daily Living* or diagnosis of a severe cognitive impairment
 - * *bathing, dressing, transferring, toileting, continence, eating (the need for assistance could be caused by injury, accident, illness, surgery, or simply old age)*
- Chronic Condition expected to last at least 90 days
- Plan of care prescribed by a licensed health care practitioner

Payment of benefits

- Benefits payable following a single lifetime 90 calendar day Benefit Wait Period

Expect More

- **Personal LifeSecure Web Portal**
 - Stay informed and connected, whenever it's convenient!
 - Care Provider directory, search tools, and discounts
 - Planning tools for caregivers
 - **LifeSecure Care Advisor Services**
 - RN or social worker specializing in LTC working for you
 - Support, educate, and advocate for you

These services are provided at no additional cost and are available from day one – not just at time of claim.

Use of services also extends to family members.

Applying for Coverage

What You'll Need to Apply

- Primary physician: name, address, phone & month/year of last visit
- Spouse's social security number if also applying
- Health information – current and past
- Premium payment information (*credit card or bank info for EFT, if applicable*)

Application Review Process

MIB, Inc. and Prescription Database

- Standard step for all applicants

If necessary, LifeSecure will contact you with questions or for additional information via:

- a Phone Interview
- an In-home Assessment with or without Laboratory Screening
- an Attending Physician's Statement



The Fine Print

Exclusions & Limitations

- The policy will not pay benefits for care, treatment, services or charges: for a loss that occurs while the policy is not in force; for alcoholism or drug addiction (**in SD**, for the rehabilitation of alcoholism or drug addiction), except for an addiction to a prescribed medication administered on the advice of a Physician*; due to declared or undeclared war or act of war; due to participation in a felony, riot or insurrection or involvement in an illegal occupation**; due to suicide, attempted suicide or intentionally self-inflicted injury; that are reimbursable under Medicare, or would be so reimbursable but for the application of a deductible or coinsurance amount; that are reimbursable (**in SD**, paid or provided) or provided under a governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law; provided outside the United States, Canada or their territories or possessions, except as provided under the International Coverage Benefit; for which no charge is made in the absence of insurance, except as provided under the Flexible Benefit; or provided by an Immediate Family member (except as provided under the Flexible Benefit), unless: he or she is a regular employee of an organization which is providing the care, treatment or service; he or she receives no compensation other than the normal compensation for employees in his or her job category; and the organization receives the payment for the care, treatment, service or charge.
- * In CT, for confinement due to alcoholism or drug addiction, except for confinement due to an addiction to a prescribed medication administered on the advice of a Physician.
- ** Not applicable in CT.



Thank You

Questions?

[Contact Information]

LifeSecure Insurance Company – Brighton, MI