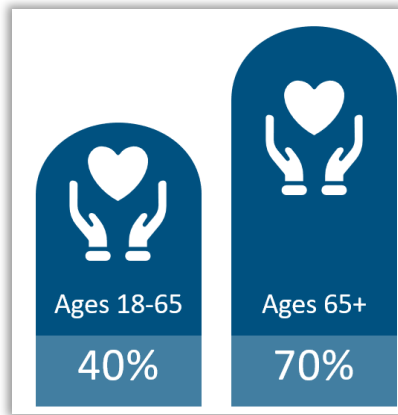


Long Term Care Insurance

Likelihood of Requiring LTC¹



Average Cost of Care²



Home Care

\$77,792

Avg Stay 3 years



Assisted Living

\$70,800

Avg. Stay 2.5 years

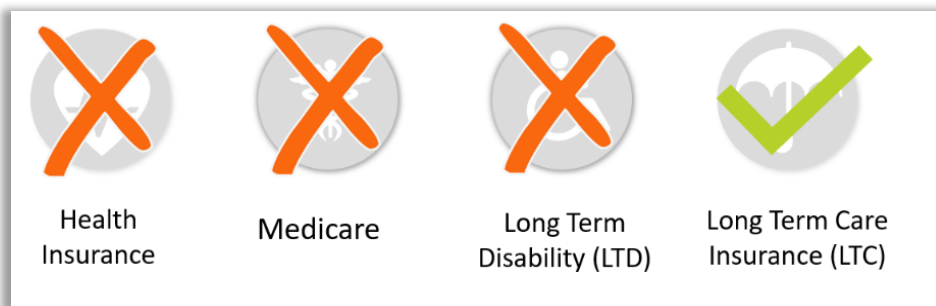


Nursing Home

\$127,750

Avg. Stay 2.4 years

Benefits That Cover Long Term Care



LTC Financing Crisis

- **56%** of couples without LTC insurance spend their income down to poverty level after one partner has spent **six months** in a nursing home³
- **Medicaid** now consumes **30%** of state budgets
- **Medicaid** pays for about **45%** of total LTC service and support costs⁴

Why Employers Offer LTC Insurance



LTC INSURANCE

- Only benefit that pays for LTC



401k/403b PRESERVATION

- Employees pay for LTC from investments



LTC LEGISLATION - LINK

- Medicaid consumes 30% of state budgets so state are evaluating options to reduce Medicaid cost.



EMPLOYEES REQUESTING LTC

2021 LIMRA Study - top 3 reasons for Life + LTC products:

- Concern LTC costs may **deplete or exceed savings** – **35%**
- It is a more **economical use of current assets** – **33%**
- **Benefits pay** even if LTC expenses aren't incurred – **29%**

NY Life Study

- LTC is one of **top 5** benefits employees are most interested in



EMPLOYERS OFFERING LTC BENEFITS

- **KFF** – **25%** of employers offering health insurance also offer LTC insurance. Of those, **39%** contribute toward the cost of the plan through employer funding



EMPLOYER FUNDING

- **Funded for All or Defined Class** – years of service, title, salary
- **Attract & Retain** – with Differentiating Benefit
- **401k/403b Preservation** – employees that max out benefit
- **Employee Engagement** – increases 600%



GROUP PLAN ADVANTAGES

- **Portable** – at same rate
- **Issue Age Rates** – do not increase with age.
- **Guaranteed Issue** – exclusive to employer plans. Provides employees access to a benefit.

Off-Cycle Enrollment

600% participation increase compared to on-cycle

Client Decision	May	June	July	August
Enrollment Month	July	August	September	October
Effective Date first of Month	September	October	November	December