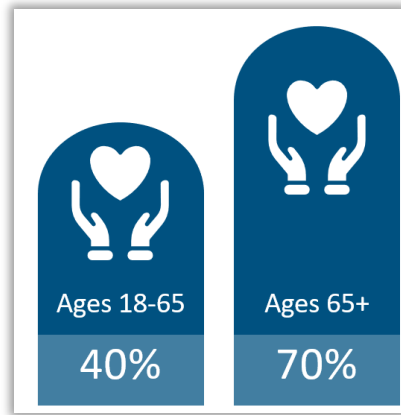


# Long-Term Care Insurance

## Likelihood of Requiring LTC<sup>1</sup>



## Average Cost of Care<sup>2</sup>



Home Care

\$80,080

Avg Stay 3 years



Assisted Living

\$74,400

Avg. Stay 2.5 years

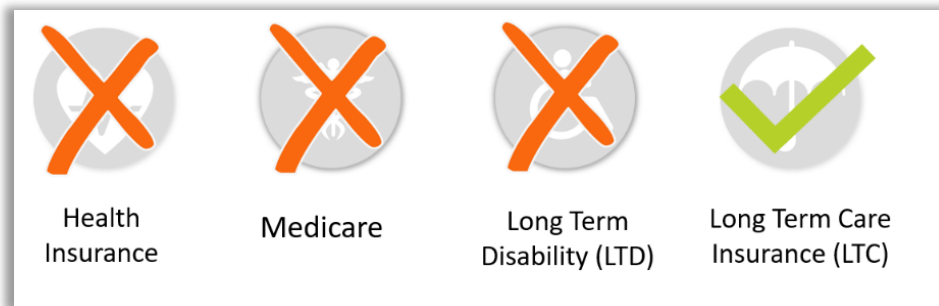


Nursing Home

\$129,575

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 home<sup>3</sup>
- **Medicaid** now consumes **30%** of state budgets
- **Medicaid** pays for about **45%** of total LTC service and support costs<sup>4</sup>

# Why Employers Offer LTC Insurance

## 1 GROUP PLAN ADVANTAGES

- **Guaranteed Issue** – Provides employees access to a benefit. [Individual App & Declinations](#)
- **Portable** – at same rate
- **Issue Age Rates** – do not increase with age. [Cost of Waiting](#)

## 2 EMPLOYEES REQUESTING LTC

By 2030, all baby boomers will be age 65 or older - [US Census Bureau](#)

### 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

## 3 EMPLOYERS OFFERING LTC BENEFITS

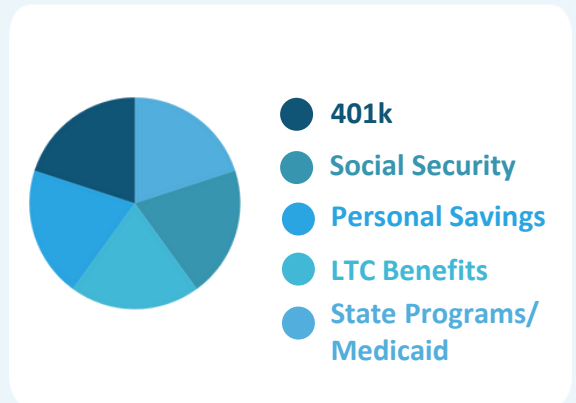
- **KFF** – **25%** of employers offering health insurance also offer LTC insurance. Of those, **39%** contribute toward the cost of the plan through employer funding
- Long-Term Care was identified as the **fastest growing voluntary benefit from 2020 to 2024** - BenefitsPRO

## 4 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%

## 5 401K/403B PROTECTION

- Provide alternative to pay for LTC
- [Self-Investing Calculator](#)



## 6 LTC LEGISLATION

- In 2023, the US Medicaid budget was \$536B
- Cost associated to LTC equated to \$164B (31%) of the budget
- Numbers like these largely drove the establishment of the WA
- Cares Fund
- [Tax Calculator](#)

# Off-Cycle Enrollment

<b>Proposal</b>	<b>April</b>	<b>May</b>	<b>June</b>
<b>Client Decision</b>	May	June	July
<b>Enrollment Month</b>	July	August	September
<b>Effective Date</b>	<b>9/1/26</b>	<b>10/1/26</b>	<b>11/1/26</b>