

# Long Term Care Insurance Coverage Waiver



Long term care insurance (LTCi) can be an important part of your retirement portfolio. A major concern for retirees is the possibility of outliving their money. LTCi provides funds for care when it's needed, protecting income for a surviving spouse and substantially reducing the loss of value in the estate due to long term care (LTC) costs. It is also beneficial to single individuals and those who are not concerned with leaving a legacy because it protects assets should individuals recover from a long term care event.

Below is a list of typical LTCi benefit options available. Please select the best options that meet your needs.

**Daily Benefit**

The average cost for a semi-private nursing home bed in the custodial unit of a local nursing home is:

Daily Benefit \$ \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_

*A higher daily benefit may be needed if a private room is desired, if higher levels of care are needed, if the facility is a religious or fraternal association or has a waiting list, or if you decide to retire in another state. There can also be other variables that may make the daily cost of facility care higher than average.*

**Benefit Period or Policy Limit**

The policy limit is the maximum amount of benefits payable over the life of the policy. The policy limit is calculated by using the benefit multiplier and the daily or monthly benefit.

**Inflation Protection** (check one option below)

- 5% compound inflation option—keeps your current daily benefit up with the cost of care
- 3% inflation option—keeps your daily benefit current with the cost of care
- Higher daily benefit—an alternative to inflation protection

*Each choice is age-based and the value of a particular inflation protector relates to the age of the insured.*

**Elimination Period**

The elimination period starts the first day you need care. Once the elimination period has been satisfied, benefits will begin. By selecting a shorter elimination period, you will start to receive benefits sooner. A longer elimination period will make an LTC policy less expensive; however, it will require you to cover the costs until the elimination period has been satisfied and benefits begin.

**Home Health Care Coverage**

Home health care is a viable option for many people. Because home health care can be more expensive than facility care when many hours of care are needed, home health care may be chosen at 100% of the nursing home daily benefit.

## Guaranteed Renewable

Traditional LTC policies are guaranteed to be renewed as long as you pay your premium. Carriers cannot cancel or refuse to renew your policy if premiums are paid when due. Premiums are NOT guaranteed. If a carrier changes rates, it must do so for everyone in your state with the same policy series.

### ACCEPT

I \_\_\_\_\_ have read the above information and understand the benefit options. I choose the LTC benefit options and recognize that such choices may not fully protect my financial portfolio in the future.

Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Witness Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

### DECLINE

I \_\_\_\_\_ have read the above information and have decided NOT to add LTC insurance to my portfolio.

Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Witness Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

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