

## **Which Product for Which Client?**

- Bill Comfort, Moderator
- Cassandra Watson
- David Wolf



# ILTCI Mobile App Download Instructions

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iPad

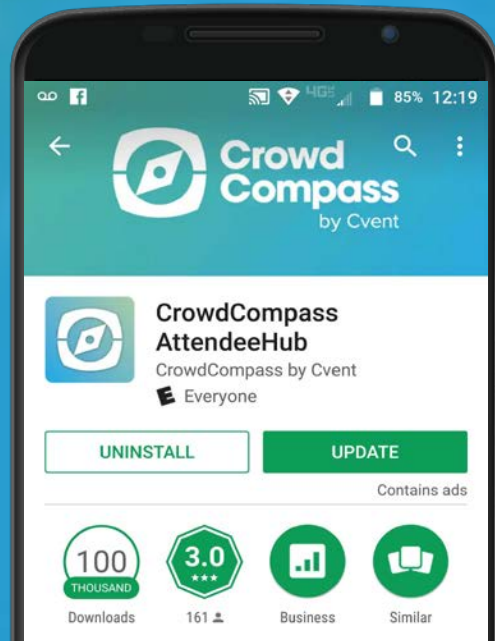
- 1) Type <https://crowd.cc/s/1flyo> in web browser
- 2) Click “Download iPhone/iPad App” to load Apple’s App Store and download the app.

android

- 1) Type <https://crowd.cc/s/1flyo> in web browser
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BlackBerry

- 1) You’ll be using the web version of the app. Open the web browser, click the BlackBerry menu button, select “Go To” and type <https://crowd.cc/s/1flyo>.



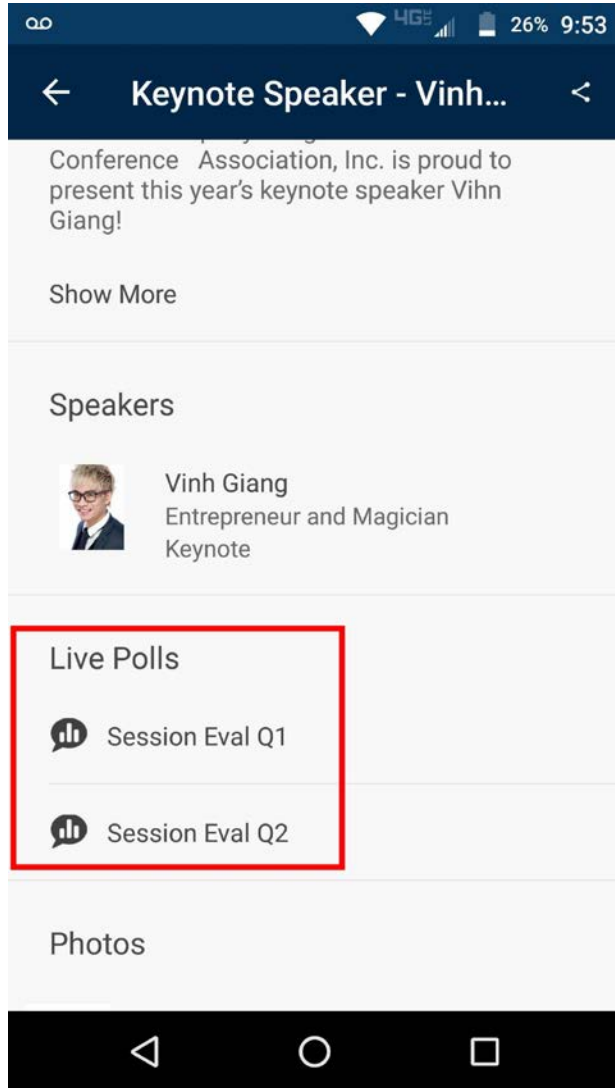
You can also just go to your app store and search ‘AttendeeHub’. Once installed search ‘ILTCI’ and you’ll find our app.

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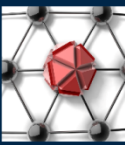
# Session Survey Instructions



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- Traditional LTCI
- Hybrid life + LTCI
- Hybrid annuity + LTCI
  
- Life insurance + LTCI ADB
- Life insurance + Chronic Illness Rider
  
- Short-term care?

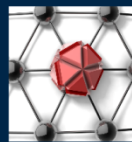


- Is not dead
  - Fewer carriers not an issue - DI experience
- Is not in a “death spiral”
  - No evidence: low lapses remain, can’t replace, “reserve” pricing
- Will not (cannot) have future rate increases like past rate increases
  - 1% lapse, low reserve %, credible claims
  - “Past performance (rate increase) is no guarantee of future returns (rate increases).”*

# Key Facts to Discover



- **Health, health, health.**
  - 45 mins to 1 hour at beginning of the call
- **Who are they? Get to know the clients**
  - Do they have kids? Where do they plan to live/retire?
- **Income**
  - What is current income? Planned retirement income - where will it come from? Withdrawing now?
- **Assets**
  - How much excluding the home? What form?
  - Existing life insurance or annuities?
- **Family history**
  - Get a feel for their personal experience with aging. Did a parent or family member need LTC? How long? Who paid? Check for dementia/Alz. and general longevity.



- Is this something you're just starting to look into, or have you been looking at it for a while?
- Why now?
  - What, specifically, made you look for this information/take the time for this meeting now?
- If you needed long-term care, what would be your biggest concern?
- Do you have any preferences on how, if you needed it, you might like to receive your care later?
- What have you read or heard about long-term care insurance?



- 58-year-old couple, “standard” health
- Both employed, \$150,000 income
- \$700,000 in 401(k), qualified funds
- \$100,000 non-QF savings
- \$300,000 home equity
- \$110,000 projected retirement income





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- Both employed, \$150,000 income
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- \$100,000 non-QF savings
- \$300,000 home equity
- \$110,000 projected retirement income
  
- **Don't plan to leave the kids any \$**



- 58-year-old couple, “standard” health
- Both employed, \$150,000 income
- \$700,000 in 401(k), qualified funds
- \$100,000 non-QF savings
- \$300,000 home equity
- \$110,000 projected retirement income
  
- **\$300,000 inheritance**



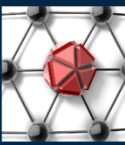
- 58-year-old couple, **wife “uninsurable”**
- Both employed, \$150,000 income
- \$700,000 in 401(k), qualified funds
- \$100,000 non-QF savings
- \$300,000 home equity
- \$110,000 projected retirement income
  
- **Insurability issues**



- 58-year-old couple, “standard” health
- Both employed, \$150,000 income
- \$700,000 in 401(k), qualified funds
- \$100,000 non-QF savings
- \$300,000 home equity
- \$110,000 projected retirement income
  
- **One spouse is self-employed?**



- **Financial Advisor A**
  - Sold a small Stand-Alone LTC Contract in the past
  - Proposed Supplementing with another Stand-Alone LTCI Policy
- **Financial Advisor B**
  - Proposed a Combo LTC Product with a rather small single premium \$50K per spouse
  - Had more “depth of client relationship”, client wanted to work with this advisor
- **Solution:**
  - Reached out to Advisor B and proposed a solution, won her over
  - She was not accounting for pre-tax funding capacity



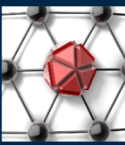
**Client 5 (Mr.)**  
**Life+LTC Combo / Traditional LTC**

Oregon, age 74

LTC benefit: 6-year benefit, 90-day elimination, no inflation, comprehensive SNF, ALF & HHC

						Monthly Long-Term Care Benefit:				
	<u>Initial Premium</u>	<u>Additional Ann Prem.</u>	<u>Initial DB</u>	<u>Gty'd DB</u>	<u>Guaranteed to age:</u>	<u>Initial</u>	<u>Age 80</u>	<u>Age 85</u>	<u>Age 90</u>	
<b>Life + LTC Combo</b>										
Company A	N/A	(Max issue age for single premium is age 70)								
Company B	50,000	0	59,600	52,251 <sup>1</sup>	120	2,177	2,177	2,177	2,177	
Company C	63,000	0	63,000	63,000 <sup>1</sup>	120	2,532	2,532	2,532	2,532	
<hr/>										
	<u>Amount</u>	<u>Yield</u>								
<b>Traditional LTC (5-year benefit)</b>										
Company D	50,000									
4% Interest		2,000				3,059	3,059	3,059	3,059	
5% Interest		2,500				3,824	3,824	3,824	3,824	
6% Interest		3,000				4,589	4,589	4,589	4,589	
Company D (pre-tax at 39.6%)										
4% Interest		2,000				5,064	5,064	5,064	5,064	
5% Interest		2,500				6,331	6,331	6,331	6,331	
6% Interest		3,000				7,598	7,598	7,598	7,598	

(1) Guaranteed Death Benefit assuming no LTC payments



**Client 5 (Mrs.)**  
**Life+LTC Combo / Traditional LTC**

Oregon, age 69

LTC benefit: 6-year benefit, 90-day elimination, no inflation, comprehensive SNF, ALF & HHC

						Monthly Long-Term Care Benefit:			
	<u>Initial Premium</u>	<u>Additional Ann Prem.</u>	<u>Initial DB</u>	<u>Gty'd DB</u>	<u>Guaranteed to age:</u>	<u>Initial</u>	<u>Age 80</u>	<u>Age 85</u>	<u>Age 90</u>
<b>Life + LTC Combo</b>									
Company A	62,500	0	106,886	62,500 <sup>1</sup>	120	2,500	2,500	2,500	2,500
Company B	50,000	0	74,000	62,654 <sup>1</sup>	120	2,611	2,611	2,611	2,611
Company C	60,000	0	65,896	60,934 <sup>1</sup>	120	2,538	2,538	2,538	2,538
<hr/>									
	<u>Amount</u>	<u>Yield</u>							
<b>Traditional LTC (5-year benefit)</b>									
Company D	50,000								
4% Interest		2,000				2,959	2,959	2,959	2,959
5% Interest		2,500				3,698	3,698	3,698	3,698
6% Interest		3,000				4,438	4,438	4,438	4,438
Company D (pre-tax at 39.6%)									
4% Interest		2,000				4,899	4,899	4,899	4,899
5% Interest		2,500				6,123	6,123	6,123	6,123
6% Interest		3,000				7,348	7,348	7,348	7,348

(1) Guaranteed Death Benefit assuming no LTC payments



## Clients 5

Oregon, ages 69 & 74  
100% Home Care, Assisted Living and Nursing Care  
90-day elimination, 2-apply discount, TQ  
3% compound inflation  
Federal savings assumption of 39.6%

Annual premiums:

	<u>Mr.</u>	<u>Mrs.</u>	<u>Total</u>
Existing Coverage (no inflation)	1,599.72	1,047.12	2,646.84
New Coverage	<u>3,212.56</u>	<u>3,787.98</u>	<u>7,000.54</u>
TOTAL:	<b>4,812.28</b>	<b>4,835.10</b>	<b>9,647.38</b>
<hr/>			
Pre-tax of 39.6% in 2016			
Total Coverage	TOTAL: 2,906.62	2,920.40	5,827.02

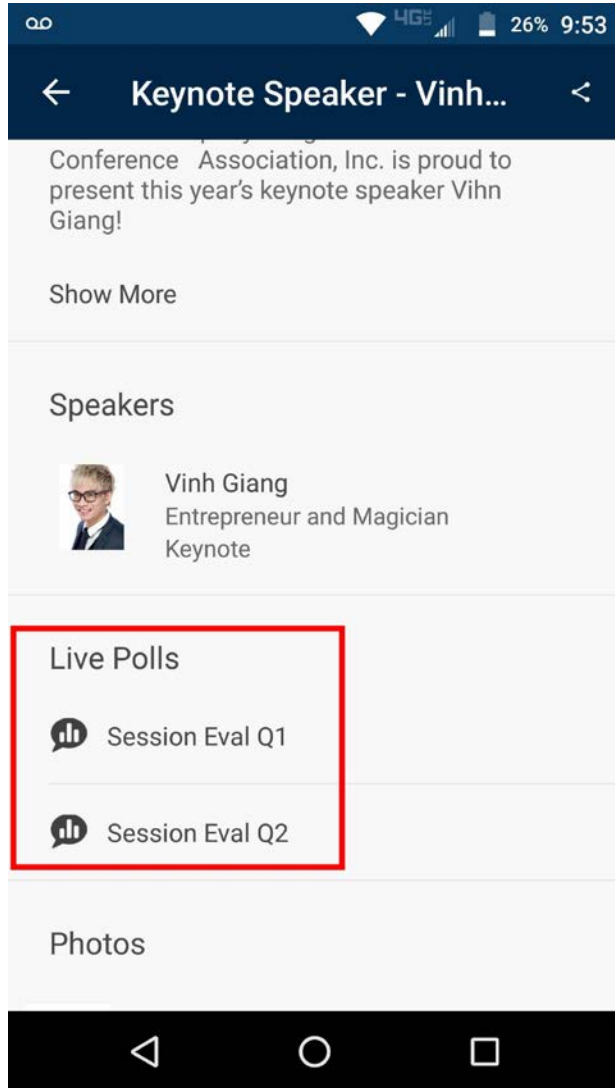




- Traditional vs. Hybrid vs. Rider

***One is neither better nor worse  
than the others ...  
... they are different ways to fund***

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