



## 2019 NATIONAL LONG-TERM CARE INSURANCE PRICE INDEX - AGE 60

May be reported with credit to American Association for Long-Term Care Insurance, [www.aaltci.org](http://www.aaltci.org)  
 Price analysis of leading long-term care insurers. Conducted January 2019. Rates vary by state and subject to change.

### NOTE TO EDITORS

One of the main objections to buying long-term care insurance is "PRICE".  
 Nearly three-fourths of long-term care insurance policies are purchased by couples (62% both purchase / 20% One spouse purchases).  
 Couple have several special (little-known) options offering **WAYS TO SAVE**.

For additional information or other options/ages and pricing call Jesse Slome, AALTCI Director, at 818-597-3227. Email: [jslome@aaltci.org](mailto:jslome@aaltci.org)

### COUPLE - BOTH AGE 60 (Each: 3 Years Growing at 3% Annually)

Initial Pool of Benefits = \$164,250 FOR EACH SPOUSE

Value of Benefits at Age 90 = \$386,476 for each

Value of Benefits at Age 95 = \$448,032 for each

**2019 Annual Premium: \$3,500 COMBINED**

Combined cost for BOTH - Includes Marital Discount

2019 Percentage Difference between Lowest Priced and Highest Priced policy on survey: 101.5%

Pricing conducted January 2019, subject to change. Rates for Illinois couple both age 60 in preferred health. Highest and lowest prices not included when reporting averages.

## LONG-TERM CARE PLANNING OPTIONS WORTH CONSIDERING FOR 60-YEAR-OLD COUPLES

|                                   | (A) "Off The Shelf" LTCi Standard Proposal | (B) 2% versus 3% Annual Benefit Growth | (C) "Pooled/Shared Benefits" with 2% Annual Growth |
|-----------------------------------|--|--|--|
| <b>Initial Benefit Per-Spouse</b> | \$164,000 Each (Age 60)                    | \$164,000 Each (Age 60)                | \$175,000 Each (Age 60)                            |
| <b>Facility Benefit Period</b>    | 3 Years                                    | 3 Years                                | 4.9 years  |
| <b>Inflation Growth</b>           | 3% Compound Annually                       | 2% Compound Annually                   | 2% Compound Annually                               |
| <b>Shared Benefits</b>            | No   | No                                     | <b>Yes</b>   |
| <b>Benefit Value @ Age 90</b>     | \$386,476 Each                             | \$291,200 Each                         | \$310,772 * Each + Access                          |
| <b>Benefit Value @ Age 95</b>     | \$448,032 Each                             | \$321,550 Each                         | \$343,100 * Each + Access                          |
| <b>Combined Premium Cost</b>      | <b>\$3,500 Per-Year</b>                    | <b>\$ 2,890 Per-Year</b>               | <b>\$2,850 Per-Year</b>                            |

\* Spouses can 'share' (access) benefit pool of the other spouse, subject to policy limitations.

**(A)** We refer to this as the "Off The Shelf" model because it's the one most commonly shown to consumers (and reported by media) when referring to policy costs. An initial Facility Benefit of \$150-per-day, a 3-year facility benefit period and a 3% annual compound inflation growth option. Both spouses have separate policies and benefits shown are capped for EACH spouse.

**(B)** Reducing the annual benefit growth to 2% **reduces the yearly insurance cost by 19% yearly**. While no one can predict future inflation, consider that 66% of all LTC insurance claims pay for home care (only about 20% for skilled facility care). **Home care is generally cheaper - and thus the \$300,000 pool of benefits (at age 90) will very likely cover all the care ever needed (and more)**. Most skilled facility care stays for persons with insurance are shorter than national 'norms' where Medicaid pays.

**(C)** The "Shared" option makes enormous sense for couples. It allows either spouse to first use their benefits to pay for their care. IF they use up all of their own benefits, they can then access the other spouse's pool of benefits. There are some limits that vary by policy. **For this example (C), to show basically the same cost WITH the shared care benefit, we lowered the initial daily benefit (from \$150 to \$100). The greater value (we believe) for the couple comes as a result of the sharing option.**

**ALWAYS WORK WITH A GOOD LTC SPECIALIST who can help show you ways to get the best benefits (for the best cost).**

**CALL AALTCI to have us connect you with an LTCi specialist. Call 818-597-3227**