

2019 NATIONAL LONG-TERM CARE INSURANCE PRICE INDEX

May be reported with credit to American Association for Long-Term Care Insurance, 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".

Therefore (for the first time) we are offering two options for **WAYS TO SAVE**. Because the vast majority (over 65%) of long-term care insurance policies are purchased by COUPLES ... we are including **SMARTER PLANNING & SAVINGS TECHNIQUES SPECIFICALLY FOR COUPLES**.

In addition - we have seen a larger price spread than prior years - difference between the lowest and highest priced comparable policies. **NO** one company **ALWAYS WAS THE LOWEST PRICE** for categories surveyed. **NO** one company was **ALWAYS THE HIGHEST PRICE**. For that reason, we have also indicated the **PERCENTAGE DIFFERENCE** (comparing lowest to highest). We believe it always has been important for consumers to **COMPARE**. It might be more important today than ever.

For additional information or other options and pricing call Jesse Slome, AALTCI Director, at 818-597-3227. Email: jslome@aaltci.org

SINGLE MALE AGE 55 (3 Year Plan of Coverage)

Initial Pool of Benefits = \$164,000 Growing 3% Compounded annually
Value of Benefits at Age 80 = \$333,000
Value of Benefits at Age 85 = \$386,500

Percentage Difference between Lowest Priced and Highest Priced on survey: 123%

2019 Average Annual Premium: \$2,050

2018 Annual Premium: \$1,870

SINGLE FEMALE AGE 55 (3 Year Plan of Coverage)

Initial Pool of Benefits = \$164,000 Growing 3% Compounded annually
Value of Benefits at Age 80 = \$333,000
Value of Benefits at Age 85 = \$386,500

Percentage Difference between Lowest Priced and Highest Priced on survey: 105%

2019 Average Annual Premium: \$2,700

2018 Annual Premium: \$2,965

COUPLE - BOTH AGE 55 (Each: 3 Years Growing at 3% Annually)

Initial Pool of Benefits = \$164,250 FOR EACH SPOUSE
Value of Benefits at Age 80 = \$333,000 **for each**
Value of Benefits at Age 85 = \$386,500 **for each**

Percentage Difference between Lowest Priced and Highest Priced on survey: 243%

2019 Annual Premium: \$3,050 COMBINED

Combined cost for BOTH - Includes Marital Discount

WAYS TO SAVE TECHNIQUE #1

COUPLE - BOTH AGE 55 (Each: 3 Years Grow at 2% Annually)

Initial Pool of Benefits = \$164,250 FOR EACH SPOUSE
Value of Benefits at Age 80 = \$238,300 **for each**
Value of Benefits at Age 85 = \$256,735 **for each**

2019 Annual Premium: \$2,465 COMBINED

Combined cost for BOTH - Includes Marital Discount

BETTER PLANNING STRATEGY: Each Selects 2 Years Coverage + Adds Shared Care Option w/ 3% Annual Growth of Benefits

COUPLE - BOTH AGE 55

Initial Pool of Benefits = \$108,000 FOR EACH SPOUSE
Value of Benefits at Age 80 = \$226,128 **for each** + access to the other's benefit pool
Value of Benefits at Age 85 = \$262,144 **for each** + access to the other's benefit pool

2019 Annual Premium: \$2,810 COMBINED

Combined cost for BOTH - w/ Marital Discount + Shared Option

Shared care is sharing of benefits in 2 separate policies. One spouse can use the benefit pool of the other when his/her own benefits are exhausted. In most states, each insured is guaranteed a minimum benefit of at least 50% of his/her originally purchased coverage maximum.

* Shared Care options can vary ... NOT available from all insurance companies and on all policies.

BETTER PLANNING + SAVINGS STRATEGY: Each 2 Years Coverage + Adds Shared Care Option w/ 2% Annual Growth

COUPLE - BOTH AGE 55

Initial Pool of Benefits = \$108,000 FOR EACH SPOUSE
Value of Benefits at Age 80 = \$156,700 **for each** + access to the other's benefit pool
Value of Benefits at Age 85 = \$168,812 **for each** + access to the other's benefit pool

2019 Annual Premium: \$2,500 COMBINED *

Combined cost for BOTH - w/ Marital Discount + Shared Option

For the basic Annual Premium Averages we compared the leading selling LTCi policies (2018 sales). Where large discrepancies were found (example of 100% price difference) the outliers (example the highest priced policy) were NOT included when computing averages.

\$164,000 = 3 year benefit x initial benefit of \$150/per-day with 90-day Elimination Period with the 3% Compound Annual Growth Option