



# Long Term Care: Product Type Comparisons

	Traditional LTC Insurance	Hybrid Life Insurance with LTC	Life Insurance with LTC Rider	Annuity with LTC Rider
<b>Overview</b>	LTC Insurance Only - Lowest Cost, no additional benefits	Combination LTC & Modest Life Insurance; Can get money back by canceling or increased amount to heirs at death	Combination LTC & Significant Life Insurance; Access to cash value during lifetime, high benefit to heirs at death	Combination LTC and Annuity; Uses annuity values for LTC, then additional benefits through rider
<b>Highlights</b>	LTC insurance policy providing LTC benefits only	<ul style="list-style-type: none"> <li>Life insurance policy which can accelerate the death benefit for LTC expenses. Death benefit if reduced by LTC benefits paid out.</li> <li>Base policy has a lower death benefit to premium ratio, focusing on LTC benefits and return of premium feature</li> <li>Simplified underwriting process</li> </ul>	<ul style="list-style-type: none"> <li>Life insurance policy which can accelerate the death benefit for LTC expenses. Death is reduced by LTC benefits paid out</li> <li>Base policy is a traditional life policy with high death benefit to premium ratio</li> </ul>	<ul style="list-style-type: none"> <li>Annuity policy which accelerates annuity value and additional LTC benefits ("extension of benefits rider") each month for LTC</li> <li>Unused cash value payable to the beneficiaries upon death</li> </ul>
<b>If you need long term care</b>	Policy provides a daily/monthly benefit for the benefit period selected	Policy provides a monthly benefit as a percentage of the death benefit until the death benefit is exhausted, or for life if that option is purchased	Policy provides a monthly benefit as a percentage of the death benefit until the death benefit is exhausted	Policy provides a monthly benefit until the annuity value and additional rider benefits are exhausted
<b>If you need cash</b>	No cash value	Policy cash values are available as withdrawals or loans, reducing the death benefit and the LTC benefit. Policy also guarantees the return of premium if surrendered	Policy cash values are available as withdrawals or loans, reducing the death benefit and the LTC benefit	Annuity distributions can be taken, reducing the LTC benefits available
<b>If you never use the LTC benefit, what happens?</b>	No benefits are provided	Heirs get 100% of the death benefit initially purchased tax free, less cash withdrawn for any purpose.	Heirs get 100% of the death benefit initially purchased tax free, less cash withdrawn for any purpose.	Heirs get the annuity value less any distribution and less the income tax on gain
<b>How can the premium be paid?</b>	Single pay, 10 pay or life pay	Single pay through 10 years, 20 pay or life pay; most commonly single or short pay	Single pay, life pay or any term of payment desired	Single pay, two pay or four pay
<b>Can the premium be guaranteed?</b>	No guaranteed contracts	Guaranteed contracts are available	Guaranteed contracts are available	Guaranteed contracts are available
<b>Are premiums tax deductible?</b>	Possible (self employed or itemizing medical expenses)	No - some extension of benefit riders may be deductible	No	No - some extension of benefit riders may be deductible
<b>Are the benefits tax free?</b>	Yes	Yes; LTC and death benefit (may need LTC receipts)	Yes; LTC and death benefit (may need LTC receipts)	Yes
<b>Can the benefits be inflation protected?</b>	Yes	Yes	Generally, no	Yes
<b>Type of LTC Coverage</b>	Expense reimbursement	Expense reimbursement, traditional indemnity (indemnity pays the entire monthly benefit regardless of actual expenses)	Expense reimbursement, cash or traditional indemnity (indemnity pays the entire monthly benefit regardless of actual expenses)	Generally, expense reimbursement
<b>Minimum and Maximum Benefits Available</b>	Benefits from \$1,500 to \$15,000 per month. Benefit periods range from one year to lifetime	Death benefits of \$50,000 to \$1.5M available. Benefit periods range from two years to lifetime	Any death benefit up to \$5M can be accelerated between 1% to 4% per month for LTC	Deposits from \$10,000 to \$500,000. Benefit periods rang from two years to lifetime
<b>Which type is right for you?</b>	Looking for lowest out-of-pocket cost and concerned solely with LTC protection	Looking primarily for protection from LTC risk, but don't want to lose the asset for heirs if LTC not needed	Concerned with getting as much as possible to heirs, but don't want to use up assets for LTC if it's needed	Concerned with LTC but may not qualify medically for LTC or life insurance. Retention of annuity value is more important than benefit to heirs

All guarantees are subject to the claims paying ability of the issuing insurer. Details of product used available upon request.

Policy riders are available at an additional cost and may not be available for all products or in all states. Terms and conditions apply.

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Pricing Details: <sup>*</sup>	Traditional LTC Insurance	Hybrid Life Insurance with LTC	Life Insurance with LTC Rider	Annuity with LTC Rider
LTC Benefit Amount	Daily or monthly	Monthly	Monthly	Monthly
Initial Death Benefit	None	Amount and guarantees	Amount and guarantees	None, annuity value only
LTC Benefit Period	Number of years or lifetime	Number of years or lifetime	Number of years	Number of years or lifetime
Type of LTC Coverage	Type and how administered	Type and how administered	Type and how administered	Type and how administered
Elimination Period	Facility, Home Care and Type	Facility, Home Care and Type	Facility, Home Care and Type	Facility, Home Care and Type
Residual Death Benefit (if LTC is used)	None	Amount and guarantees	Amount and guarantees	Annuity value only
Cash Value	None	At a selected year; guaranteed or projected	At a selected year; guaranteed or projected	Annuity value only
Inflation Protection	Inclusion and terms	Inclusion and terms	Not usually available	Inclusion and terms
Premium Guarantees	Not available	Compare	Compare	Compare

<sup>\*</sup>Do not compare product pricing unless these variables are included in the analysis.

**Contact your financial professional for more information about the benefits, features, and specific types of traditional long term care insurance available to meet your specific needs.**

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