

Long Term Care Insurance Coverage Waiver



Long Term Care insurance is an important part of your retirement portfolio. One of the greatest threats to retirees today is the fear they may outlive their money. Long Term Care insurance provides funds for care when it's needed, protecting the surviving spouse's income and substantially reducing the decrease of the estate value due to long term care costs. It is equally as beneficial to single individuals, and those not concerned by what they may leave behind, by protecting assets should the individual recover from the long term care event.

We recommend the purchase of Long Term Care insurance coverage for your portfolio. Recognizing that it can be purchased with many different benefit options, the following explains the benefit levels that may be purchased:

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:

Although the majority of all nursing home stays are less than five years on average, lifetime benefits may be purchased to protect against an extended long term care need.

Inflation Protection: (check one)

A 5% compound inflation option be purchased to keep your current daily benefit up with the cost of care, or

A 5% simple inflation option be purchased to keep your daily benefit current with the cost of care, or

A higher daily benefit be purchased instead of inflation protection.

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

Elimination Period:

By selecting a waiting period shorter than 90 or 100 days, larger out of pocket costs can be insured for a smaller additional premium.

Home Health Care:

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

Guaranteed Renewable:

Please be advised that the majority of Long Term Care insurance programs do not guarantee the premium to remain level. They do, however, guarantee that your policy will remain in force provided you meet your scheduled premium payments. Premiums cannot be raised based upon your health or age.

ACCEPT:

I _____ have read the above information and understand the benefit levels. I will choose the benefit levels and I recognize such choices may not fully protect my financial portfolio in the future.

Signed _____ Date _____

Witness _____ Date _____

DECLINE:

I _____ have read the above information and have decided NOT to add Long Term Care Insurance to my portfolio.

Signed _____ Date _____

Witness _____ Date _____

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