

SALES IDEA:

Offer the Best of Both Worlds With Stacked Policies

Stacked policies leverage the best of traditional and asset-based LTC (long-term care).

The Stacked Solution: More Than One Option

When planning for long-term care needs, there's no need to settle for just one solution. It doesn't have to be an "either-or" choice. With "stacked designs," you can combine traditional LTC policies and asset-based LTC policies. The result can be a comprehensive strategy that provides broader protection while maximizing the advantages of both products.

Traditional LTC Advantages

- Provides comprehensive LTC event coverage
- Efficient premium options with substantial coverage when needed the most
- Tax-free benefits and potential tax advantages for premiums paid



Asset-Based LTC Advantages

- Guaranteed premiums throughout the life of the policy
- Additional security through cash value growth and guaranteed death benefit
- Ideal for consideration when repositioning existing assets



How it all Stacks Up: Building Value

Purchasing a smaller, traditional LTC policy in combination with an asset-based LTC policy may maximize benefits while efficiently leveraging premium dollars.



Underwritten by
Mutual of Omaha Insurance Company



Stacking Strategy at Work

Matt is a 55-year-old who has been a caregiver to his parents and seen firsthand the importance of LTC insurance. He wants to make sure he has ample coverage for a potential LTC event in the future, but also wants to make sure he is able to leave a death benefit to his beneficiaries.

Using a two-tiered approach, Matt repositions \$100,000 in assets he had earmarked to pay for future long term care needs into an asset-based LTC policy. To maximize his LTC coverage, Matt uses his discretionary income to purchase a smaller traditional LTC policy. This allows him access to initial benefits of \$3,000 per month in traditional LTC and \$7,166 per month in asset-based LTC.*

Combining these two policies may provide Matt flexibility and additional leverage in the event of a long-term care need. Should Matt need care, he can:

- Access benefits on his traditional LTC policy first while allowing his \$100,000 asset to continue to accumulate cash value
- If additional LTC benefits are needed, he has access to benefits under his asset-based LTC policy
- Matt can still maintain a minimum death benefit for his beneficiaries

*Both policies include a 3% Compound Inflation Benefit.

Case Design Notes:

- Traditional LTC Case Design — Male, 55, Select risk class, Married and one partner applying for coverage, \$3,000 initial monthly benefit for 3 years, 90-day elimination period, 100% Assisted Living Facility & Home Health Care benefits, 3% Compound inflation for lifetime
- Asset-Based LTC Case Design — Male, 55, Standard Non-Tobacco risk class, Married Discount, \$100,000 single premium, 4 Year benefit duration, 3% Compound inflation for lifetime

Key Takeaway

*When considering LTC solutions, there's no need for clients to choose between traditional or asset-based. The stacked design of combining both products may help give clients the ultimate protection — **the best of both worlds.***