

# Life Insurance with Long-Term Care

A Practical Solution



Voluntary Benefits

**Trustmark**  
benefits beyond benefits

# Long-Term Care What now?

As more and more carriers continue to leave the long-term care (LTC) insurance market, an increasing number of employers are left searching for ways to fill the void. With improvements in medicine, the duration and frequency of LTC is increasing, leaving fewer and fewer providers that are able to provide LTC benefits. And, while access to LTC insurance becomes increasingly difficult, employers and employees remain in need of options for LTC.

## Employees in Need

With a shrinking marketplace, employees need options to build LTC into their benefits plan. The need for LTC remains for employees of all ages. In fact, 24% of claimants for Trustmark's LTC benefits are under 45 years of age.\*

## The Trustmark Solution for LTC

Trustmark's Universal Life insurance combines the benefits of life insurance with living benefits which can be utilized for long-term care, home healthcare, adult day care or assisted living. For employees, protecting their families' future with end of life benefits is a common occurrence. Adding to these concerns is the likelihood that they will need LTC. Our life insurance with living benefits provides an answer to both of those worries.

Employees may be hesitant to buy LTC insurance because of the cost or fear of not utilizing the benefits, but this product does not create a "use it or lose it" situation. Regardless of whether the benefit left is from LTC or life, the beneficiary will still receive payout.

\*Trustmark Insurance Company's book of business.

*BenefitsPRO, Dec. 8, 2016*

**Long-term care insurers collapse**

*Investment News, July 21, 2016*

**Long-term care market sees rapid decline**

*Forbes, Nov. 10, 2016*

**John Hancock withdrawing from long-term care market**

## Why LTC insurance remains important



**70% of people** over age 65 will eventually need LTC<sup>1</sup>



**40% of people** currently receiving LTC are under the age of 65<sup>2</sup>



**62% of caregivers** pay for care with their own savings and retirement<sup>2</sup>



Assisted living facilities can cost upwards of \$3,600 a month<sup>3</sup>

<sup>1</sup>Startling Facts about long-term care. lifehappens.org. Mar. 11, 2015.

<sup>2</sup>Genworth. The Expanding Circle of Care. 2015.

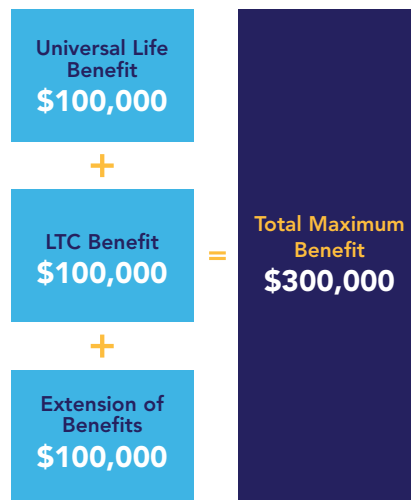
<sup>3</sup>Genworth National Median long-term care costs. 2016.

# How does it work?

Example: \$100,000 Universal Life policy with LTC

**LTC Benefits** – Pays 4% of the death benefit for up to 25 months and can be extended for an additional 25 months with Extension of Benefits.

**Benefit Restoration** – Restores the benefit that is reduced to pay for LTC, so families receive full death benefits when they need it most.



## Triggers to LTC

LTC benefits are triggered when assistance is required for any two of six activities of daily living, for example, eating and dressing. LTC benefits will also trigger for cognitive impairment such as Alzheimer's or other cognitive or nervous diseases.



## Are they prepared to be the caregiver?

Some may turn to their loved ones for care, but this has its drawbacks. Providing care can take a toll on the caregiver. On average, those providing care for a loved one spend four years in the role of a caregiver providing 24 hours of assistance per week.<sup>4</sup>

<sup>4</sup>Why employers need to offer benefits to informal caregivers. Employee Benefit News. March 28, 2017.



### Great benefits:

- **Long-term care** – Provides 25 months of benefits for home healthcare, assisted living, adult day care and nursing home care
- **Extension of LTC** – Extends LTC benefit an additional 25 months
- **Benefit restoration** – Restores the benefit paid out by LTC and extension of LTC
- **Family coverage** – Coverage is available for employees, spouses, children and grandchildren
- **Direct payment** - Benefits paid directly to the policyholder enabling choices in care

### Great features:

- **Portability** – Coverage is completely portable, regardless of job changes or retirement
- **Streamlined Underwriting** - Simple and efficient underwriting process
- **EZ Value option** – Automatically increases benefits to keep pace with an employee's growing needs, without additional underwriting
- **Terminal Illness Benefit** - Accelerates up to 75% of the death benefit if a doctor determines the policyholder's life expectancy is 24 months or less

## Protection that fits

Research shows that the average length of LTC services in the U.S. is three years.<sup>5</sup> Our Universal Life with long-term care rider provides protection well beyond the norm.

Utilizing the extension of LTC benefit, Universal Life can provide more than four years of LTC protection. But, with Trustmark, employees are protected not just for the possibility of LTC that lasts a year or two, they have the comfort of knowing they can extend their benefits if necessary.

<sup>5</sup>Cost and Incidence of Long-Term Care. Forbes. Jan. 5, 2016.

**Trustmark's solution for  
LTC was designed to  
protect employees today,  
tomorrow and beyond.**



Learn more about Universal Life and how it can be a cost effective solution to help fill the void for LTC in your clients' benefit plan.

**Contact your Trustmark regional sales director today or visit [www.trustmarksolutions.com](http://www.trustmarksolutions.com).**

**You care.  
We listen.**

This brochure is published for the use of Trustmark producers. It provides a brief description of voluntary benefit protection, and it is not a contract. Benefits, definitions, exclusions and limitations may vary by state. The long-term care benefit is an acceleration of the death benefit and is not long-term care insurance. It begins to pay after 90 days of confinement services, and to qualify you must meet conditions of eligibility for benefits. Living Benefits may not be available in all states or may be named differently.

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Trustmark Life Insurance Company of New York in New York  
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