Long-Term Care Insurance

Watch Your Policy Benefits Grow

The advantage of adding an inflation protection rider.

Mutual of Omaha

Underwritten by
Mutual of Omaha Insurance Company

ICC18399645

How do Benefits Grow?

There is no one-size-fits-all long-term care insurance policy. Instead, a policy will be tailored to meet your unique needs. That means you'll have the opportunity to select from a variety of optional benefits, like an inflation protection rider that allows the benefits of your policy to grow over time.

Meet Dave

Dave, age 61, purchases a long-term care insurance policy with a $3,000 monthly benefit and $105,000 policy limit. He opts for an inflation protection rider that increases his maximum monthly benefit and remaining policy limit by **1 percent compounded** each year for **20 years.**

Meet Jane

Jane, also age 61, purchases a long-term care policy with benefits identical to Dave's. However, she chooses **no inflation protection.**

Fast Forward 20 years

Thanks to inflation protection, Dave's policy benefits increased, while Jane's remained the same. Now at age 81, Dave has more available in benefits to help him pay for the long-term care services he needs.

Dave's Policy With Inflation Protection			Jane's Policy Without Inflation Protection		
	Today	In 20 Years		Today	In 20 Years
Monthly Benefit	$3,000	$3,660	Monthly Benefit	$3,000	$3,000
Policy Limit	$105,000	$128,122	Policy Limit	$105,000	$105,000

This illustration portrays a situation our customers may have faced or could face. It does not represent an actual comparison of individuals.

A 5 percent inflation protection option is required to be offered to all applicants. In this example, if Dave were to elect the 5 percent compound, 20-year inflation protection option, his monthly benefit in 20 years would be $7, 960 and the policy limit would equate to $278,600.


Another Important Consideration

Adding an inflation protection rider has the potential to make your long-term care insurance policy “partnership qualified” providing your state participates in a partnership program.

This means if you use all your policy benefits and still need long-term care services, you can apply for Medicaid while protecting a portion of the assets you might otherwise have to “spend down” to meet eligibility requirements.

Owning a partnership-qualified policy allows you to protect one dollar of personal assets for each dollar your long-term care policy provides in benefits. For example, if your policy provides $100,000 in benefits, you will be allowed to keep $100,000 in personal assets above and beyond the assets you are allowed to keep in order to qualify for Medicaid.

What Makes a Policy Partnership Qualified?

The Deficit Reduction Act of 2005 requires that partnership-qualified long-term care insurance policies include an inflation protection rider for individuals age 75 and under. Each state participating in a partnership program sets its own inflation percentages. Some states have inflation protection minimums as low as one percent.

More About State Partnership Programs

Long-term care partnership programs are alliances between participating states and private insurance companies. These programs are specifically designed to allow people who use all the benefits of a partnership-qualified long-term care insurance policy to retain a specific amount of assets on a dollar-for-dollar basis and still qualify for Medicaid, provided they meet all other Medicaid eligibility requirements.

What Inflation Protection Means for You

Adding an inflation protection rider to your long-term care insurance policy provides two important advantages:

- It allows your policy benefits to grow each year so that by the time you need care, you'll have more money available to help you pay the bills
- It also may make your policy partnership qualified, which allows you to protect a portion of your assets in the event you need to apply for Medicaid

When it comes to inflation protection, there are a variety of options available to you. You'll be able to select an inflation percentage, or how much your benefits increase each year, in addition to an inflation duration, the length of time your benefits will continue to grow. I'll be happy to explain these options to you.

Name
Phone Number
Email Address
License Number

Long-Term Care Insurance

A long-term care insurance policy is designed to help pay for care you may need in the future, including help at home or care provided in an assisted living facility or nursing home. And like everything from gas to groceries, the cost of that care is likely to be higher down the road when you need it.

That's why it's important to ensure the long-term care insurance policy you may be considering today meets your future needs.

Why Mutual of Omaha

For more than a century, Mutual of Omaha has been committed to listening to our customers and helping them through life's transitions by providing an array of insurance, financial and banking products.

MutualofOmaha.com

Long-term care insurance is underwritten by Mutual of Omaha Insurance Company, 3300 Mutual of Omaha Plaza, Omaha, Nebraska 68175. Policy form: ICC13-LTC13. This policy has exclusions, limitations, reductions and terms under which the policy may remain in force or be discontinued. Benefits may be provided by a combination of the policy and riders and are subject to underwriting. Premiums will vary depending on the benefits selected. Premium rates may increase. A medical exam may be required for coverage. For costs and complete details of coverage, call your agent/producer or write to the company. Benefits provided will be individual coverage, not group coverage.

Coverage may meet the requirements for participating in a Long-Term Care Insurance Partnership Program. Under this program, you may be able to protect assets from Medicaid spend-down requirements through a feature known as "asset disregard." This is not a guarantee of Medicaid eligibility nor of any ability to disregard assets for purposes of Medicaid eligibility. States do not take part in company-specific marketing plans nor endorse specific company policy and certificate forms. Please contact the company or your state insurance department with any questions regarding state availability of this program.

Long-term care insurance is not a deposit, not FDIC insured, not insured by any federal government agency, not guaranteed by the bank, not a condition of any banking activity, may lose value and the bank may not condition an extension of credit on either: 1) The consumer's purchase of an insurance product or annuity from the bank or any of its affiliates; or 2) The consumer's agreement not to obtain, or a prohibition on the consumer from obtaining, an insurance product or annuity from an unaffiliated entity.

This is a solicitation of insurance. You may be contacted by an insurance agent/producer.

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