Traditional Long-Term Care Insurance



What is traditional long-term care insurance?

Traditional LTCI is a tax-qualified insurance policy that functions like a typical insurance policy where the owner pays regular premiums in exchange for future benefits. Each policy can be tailored to a client's specific premium tolerance and projected needs. Traditional LTCI does not hold cash value, so it may be a viable option for a healthy community spouse whose partner is seeking Medicaid benefits. Discounts are available for partners or married couples as well as for those with preferred health status. Traditional LTCI is also eligible for state partnership protection, which is available in most states.

What is state partnership protection?

In the event the policyholder exhausts all their LTCI benefits and pursues Medicaid eligibility, the amount of policy benefits paid on their behalf will be exempt from Medicaid in addition to their normal resource allowance, allowing them to preserve additional assets. Reciprocity of state partnership protection varies by state.

When should my client purchase Traditional LTCI?

The issue ages for traditional LTCI vary among our carrier partners, but policies are typically available for individuals aged 18 to 79. Since LTCI policies are portable, your client can use their policy anywhere in the U.S. regardless of the state in which they originally purchased it. Certain carriers also offer international LTCI coverage. Traditional LTCI offers financial security and asset protection in the event of extended care.

Product Features:

- State partnership protection available in most states
- Inflation rider
- Preferred health and partner discounts

Who purchases LTCI?

- Parents or married couples
- Women
- Business owners
- High-net worth individuals
- Single individuals or those without children

If your client is planning ahead for long-term care, traditional LTCI offers a cost-effective option for securing their financial future.

To learn more about traditional LTCI, book a call with our team today!

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