Long-Term Care Planning

WITH VS. WITHOUT LTCI

Most clients don't object to care; they object to cost. This case study helps reposition the conversation from premium costs to the impact on their family and finances, giving agents a practical way to explain value.

If a client says, "*I'll just pay for it myself,*" respond with: "*That's a valid strategy; let's look at what self-funding actually costs and who it affects.*"

Same Client, Different Outcomes

- Male, married, age 58 at time of planning
- Retired or nearing retirement
- About $900,000 investable assets, paid-off home
- Requires care at age 78 (stroke with mobility and cognitive impairment)
- Needs care for 4 years

	Without LTC Planning	With LTCI
Care Setting	Assisted Living → Memory Care	Assisted Living → Memory Care
Monthly Cost	$6,500–$9,000 (out of pocket)	Paid by policy benefits
Length of Care	4 years	4 years
Total Cost of Care	$400,000+	Covered by LTCI
Source of Funds	Investments, income, potential home equity	Insurance dollars
Impact on Assets	Portfolio significantly reduced	Assets largely preserved
Retirement Income	Strained, withdrawals increase	Stays on track
Care Choices	Driven by affordability	Driven by quality and proximity
Spouse's Role	Financial stress and caregiver burden	Spouse remains a partner and care manager, not caregiver
Family Involvement	Children have to step in to help	Minimal disruption
Emotional Impact	Stress, uncertainty, guilt	Confidence and peace of mind

Advisor Positioning Takeaways

"This isn't about whether you can afford the premium; it's about whether you want to self-insure a six-figure care event."

Without LTCI

- Client acts as the insurance company
- Assets fund care
- Family absorbs emotional and logistical burden

With LTCI

- Insurance dollars fund care
- Assets support lifestyle
- Family relationships stay intact

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