

# An Alternative to Traditional Long Term Care Insurance



According to the government website, [www.longtermcare.gov](http://www.longtermcare.gov), it costs \$229 on average, per day, for a private room in a nursing home in the United States (in 2010).<sup>1</sup> That's:

- \$6,965 per month, or
- \$83,585 per year

Plus, the costs can vary greatly by the type of care received and geographical location.

As the general population ages and people are living longer, these costs will likely continue to rise. Additionally, by 2050, the number of individuals using long-term care services or skilled nursing facilities will likely double from 13 million to 27 million.<sup>2</sup>

If you plan to use insurance to help you and your family cover your long-term care risk, what type of solution are you looking for? **Consider a new solution.**

## Flexibility, Convenience, and Value for You

You may know the value of owning whole life insurance – the guarantees, growth, security, and tax advantages inherent in the policy. Now, Guardian can help you address two protection needs with one product – a long term care insurance rider with a Guardian whole life insurance policy.<sup>3</sup>

## *Death benefit financial protection and a source to pay for long-term care expenses, all in one policy –*

Guardian's Long Term Care Rider allows you to accelerate a portion of the policy's death benefit if the need to help cover the cost of long-term care services arises during your lifetime.<sup>4</sup> The rider can provide a flexible, economical alternative to other sources of funding. It can help relieve the financial strain many families experience when there is a need for long-term care.

## Having the Long Term Care Rider in place can help:

- Eliminate unplanned financial surprises related to care
- Put you in control of the type of care you receive and where you receive it
- Lift the burden of responsibility from family and friends
- Maintain the lifestyle your spouse or partner now enjoys
- Conserve wealth, allowing you to leave the legacy you intended

<sup>1</sup> National Clearinghouse for Long Term Care Information, [www.longtermcare.gov](http://www.longtermcare.gov) – based on 2010 statistics.

<sup>2</sup> "Buyers Guide to Long Term Care Insurance." 2010 National Association of Insurance Commissioners.

<sup>3</sup> The rider is available at an additional premium.

<sup>4</sup> The Accelerated Death Benefit for Long Term Care Services Rider is marketed as Guardian's Long Term Care Rider.

# Guardian Long Term Care Rider with a Core Whole Life Policy at a Glance

Attributes	Details
<b>Elimination Period</b>	90 calendar days of services that must be accumulated within a 24-month period from the date you start receiving those services.
<b>Basic LTC Benefit Pool</b>	Maximum cumulative benefit that can be accelerated by the lesser of 90% of Policy Face Amount or Policy Face Amount, less \$25,000.
<b>Maximum Monthly Benefit</b>	The lesser of: <ul style="list-style-type: none"><li>• 2% of the Basic LTC pool; or</li><li>• 2x the monthly IRS monthly limit<sup>5</sup></li></ul>
<b>Benefit Period</b>	Benefits continue as long as you meet the eligibility requirements, based upon submission of periodic proof.
<b>Tax Qualified</b>	IRS Sec. 7702B design offers potential for federal or state deductions.
<b>Choice of Care Locations</b>	Long Term Care Facility, Assisted Care Facility, Home Health Care

## Guardian Advantages

There are still many uncertainties confronting our nation regarding health care. Guardian wants to help take away some of that uncertainty as you walk down your own path to the future. We chose to offer our clients a viable product designed to help them attain a comfortable financial future. While other companies are offering a form of Long Term Care linked to life insurance, Guardian's Long Term Care Rider has several advantages:

- **Guardian's is built on an indemnity benefit model – doesn't require submission of receipts as does the reimbursement model of many companies.**
- Tax-qualified design – 7702B design offers potential for federal or state deductibility of LTC Rider premiums.<sup>6</sup>
- Long Term Care dividend additions can help increase the duration of the Long Term Care benefit.<sup>7</sup>

- Policy cash values may help sustain the insurance coverage for a certain amount of time by applying dividends or borrowing to pay premiums – a plus if unexpected expenses arise.

## Walk your path with confidence.

- For over 150 years, Guardian has served the best interests of our policyholders year after year with quality products and services – with the commitment to continue this mission well into the future.
- There are some limitations and exclusions to when the rider can be exercised, which you should review with your Guardian representative before electing the Long Term Care Services Rider.
- For more information on Guardian's life insurance products and the Long Term Care Rider, please contact your Guardian financial representative today.

<sup>5</sup> 60 times the Health Insurance Portability and Accountability Act (HIPAA) per diem limit. The per diem limit for 2013 is \$320 and may be adjusted annually for inflation.

<sup>6</sup> Guardian, its subsidiaries, agents or employees do not give tax or legal advice. Please consult with your tax or legal advisor.

<sup>7</sup> Dividends are not guaranteed. They are declared annually by Guardian's Board of Directors.

Guardian Core Whole Life Products are issued on Policy Forms 06-WL, 06-WL (2011)

Guardian's Long Term Care Rider is issued on Policy Form ICCI3-LTCR



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