

LTC ATLAS

YOUR MAP TO LONG-TERM
CARE IN RETIREMENT



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DO YOU WANT TO SEE A LONG-TERM CARE STRATEGY THAT OUTPERFORMS 99.9% OF ALL
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INTRODUCTION



My name is Marty Becker, founder of Atlas Financial Strategies, Inc. I live in St. Louis, MO with my wife, Kasey, and our two sons, Christian & Grayson. I am an expert in Long-Term Care, Annuities and other Safe-Money products. I have not always been in this profession. My background is in professional Firefighting and Paramedicine. If I'm being honest, had you told me 10 years ago that I would be advising people on long-term care insurance, I would have laughed in your face. You see, I'm a firefighter. I put myself into dangerous and intense situations to help people all of the time. Insurance advisors are the people who couldn't get any other job and now they are just necessary evils that we have to deal with. I would never be one of "those people".

But through a series of events that led me on a 7-year long research project to figure out a solution to a pension change that personally affected my retirement, I was led into the world of insurance. It was an entire world I never knew existed because no one ever talks about the "living benefits" of insurance. The more I learned, the more my world view changed on how the world of finance actually works.

Now, what does any of that have to do with Long-Term Care Insurance?

It's quite simple. Before I was promoted to the rank of Captain, I spent many years working on an ambulance as a paramedic. We responded to all kinds of medical emergencies, but there was one type of emergency response that we were called to constantly – nursing homes.

What I started to notice very quickly is, although I work in a nice area of St. Louis, the standard of care, and the *cleanliness* of these facilities, were *drastically different*. And I couldn't help but wonder why.

Why do some people in their most vulnerable years end up in horrific nursing homes? Why would their families allow them to be in such a place? Why wouldn't they just go to the one down the road that is so much cleaner, has a staff that is so much more competent, and doesn't have that atrocious stench permeating the hallways?

Was it because the people in the lousy facilities that have terrible care were poor? And the people in the pristine facilities with excellent care were rich? Maybe to an extent, but that wasn't the real reason. Again, this is what I call a "middle middle-class" area. So, if it wasn't just because of someone's personal financial situation that determined their *quality of life, and their dignity*, in their final years, what was it?

Most of the time it's specific *Long-Term Care Planning*.

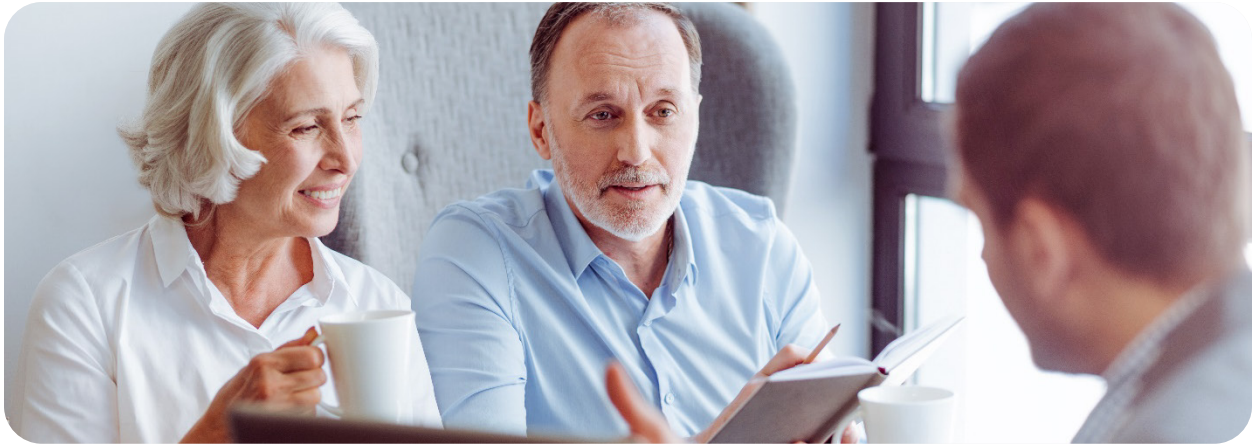
Let me explain:

Most people are under the impression that Medicare will provide them with long-term care. It doesn't!

Some people think they will be able to fund long-term care with their own money. Maybe. For a certain amount of time unless you are fabulously wealthy.

And others think that they can hide their assets and Medicaid will foot the entire bill. Possibly, but you could end up in one of those filthy facilities. And Medicaid can, and most likely will, come after your estate upon your passing to recoup their money.

1. LONG-TERM CARE OPTIONS



What I learned over time is that there are two types of long-term care facilities:

1. Private Pay Facilities
2. Medicaid Facilities

The interesting thing is you don't have to be wealthy to end up in a desirable private pay long-term care situation. And, you don't have to be poor to end up in an undesirable long-term care situation.

So, how did a firefighter end up becoming a provider and an expert in long-term care coverage?

Well, the very same industry that helped me find a solution to my own personal retirement crisis also has a sector that gave me the answers to all the questions I listed above.

And although I cannot do anything for the people that are already stuck in these despicable facilities today except give them the respect, care, and dignity that they deserve when I have the opportunity to interact with them, I can do a lot to help the person reading this report.

Most people do not know what options are available outside of traditional long-term care insurance, and they don't realize how much risk they are exposed to by not having it.

By giving you this education on the available options for long-term care, I can hopefully prevent you from ever having to experience the neglect and loss of control over your healthcare that so many people are living with today.

2. HOW LONG-TERM CARE INSURANCE PROTECTS YOU



An appropriate Long-Term Care policy has 2 main benefits for you and your family:

1. FINANCIAL PROTECTION

Protecting your assets from being completely ravaged by nursing home cost, or in-home care, and protecting the remaining spouse from poverty. And/or preventing your children from having to pay out of their own pocket to keep you in a private facility.

2. EMOTIONAL PROTECTION

Retaining your independence and dignity by staying in your own home. Or having your choice of which assisted living facility is appropriate for you.

Plus, you can remove the burden of care from family members so they never have to endure the mental and physical stress that comes with providing care to a parent.

3. FINDING THE CORRECT LONG-TERM CARE INSURANCE

Where do you even start looking for an appropriate long-term care policy?

All you have to do is Google the words 'long-term care', and you'll get pages and pages of advertisements promising you a quote for coverage. The vast majority of those quotes are for traditional long-term care coverage.

The biggest problem with Traditional LTC Insurance is that your premiums could continue to increase as you get older.

According to the Milliman 2022 Long-Term Care Rate Increase Survey, "of the 20 companies that participated in the survey, 19 have filed at least one rate increase since the 2016 survey...of those submitted, 74% of the submissions received a full or partial rate increase approval with the remaining submissions still pending or have been disapproved. The average rate increase approved was 29%, which is lower than the average 42% that was approved in the 2016 survey." (The minimum and maximum average approved rate increases are 5% and 102% respectively.)

Most of the time when a rate approval has been granted, the LTCI company will give you some options if you cannot afford the increase, or you just don't want to pay it. Those options include:

1. Reduced Benefit Options (RBOs)

Some of the reductions could be a decrease in daily benefit, a lowering of the benefit period (doesn't pay as long), increasing the elimination period (you have to wait longer before the benefit kicks in), and reducing or dropping inflation protection.

2. Contingent Benefit Upon Lapse

This enables policyholders to keep their policy without paying the higher premium. If offered, the policyholder could choose: 1) their current policy with reduced benefits so the premium stays the same; 2) a paid-up policy with a shorter benefit period, but no future premiums; or 3) their current policy with the higher premiums.

3. Cash Buyouts

An emerging option companies may offer is a cash buyout, where a policy holder is compensated for lapsing their policy with a cash payment. *Less than 10% of the companies surveyed offered a cash buyout, and it does not state how much the clients were offered.*

4. Landing Spots

Landing Spots allow a policy holder to reduce benefits to a level that is not already offered to offset the rate increase partially or fully. *Again, only 10% of the companies surveyed offered landing spots.*

Now, I love the insurance industry (life insurance and annuities, that is). I believe it is one of the most honest industries around. As an early mentor of mine once told me, “There are no deals in the insurance industry. Everything is based on math.” But when you’re dealing with an insurance product that does not have a guaranteed premium, you could find yourself in an undesirable situation.

There are a lot of people in this industry who do not really understand what they are selling, so you need to make sure you are working with a competent advisor. And always, always, read the disclosure statements yourself so you understand what you’re signing up for.

Traditional LTCL could be viewed as similar to term insurance – the more time that goes by, and the closer you get to really needing the benefit, the more expensive and unsustainable it could become.

But what if there was a solution that you could pay into over a period of time with the guarantee that your premiums will never increase?

What if there was a solution that you could put a single-lump sum into, still have access to the money if you needed it, and still have an opportunity for growth on the money?

What if both types of these solutions guaranteed the long-term care benefit never expired? No matter what age you needed it. In fact, some of these policies have benefits that only get bigger the older you get.

But what if you never ended up using the benefit? Would you lose all that money?

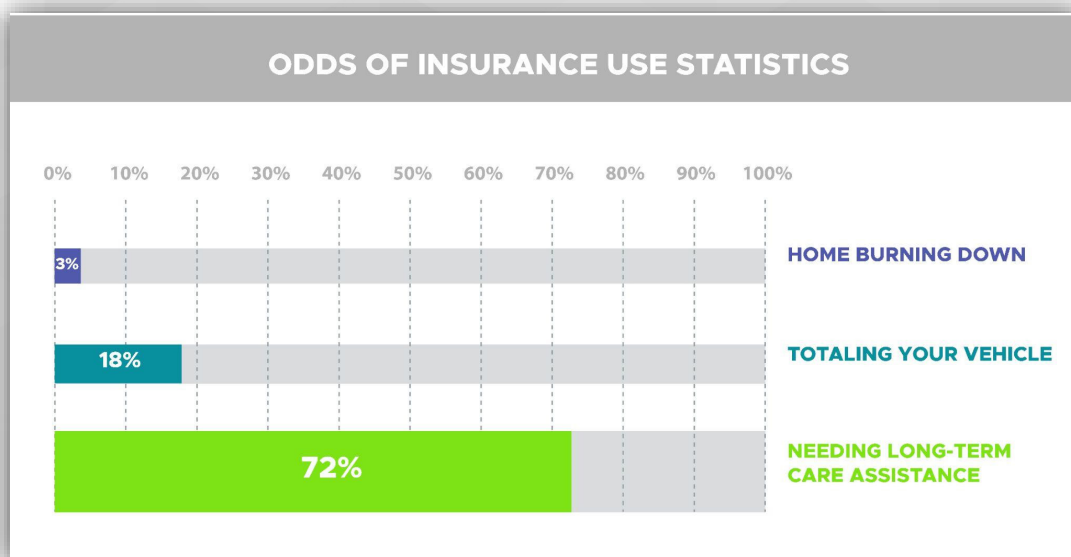
The answer is no! Because the money would be passed on to your beneficiaries upon your death.

4. LONG-TERM CARE STATISTICS



You may be saying to yourself, “I’m a healthy person. I cannot see myself ending up in a long-term care facility or needing any type of assisted living. I don’t think I’ll need any long-term care insurance.”

LET ME SHOW YOU A STARTLING STATISTIC:



The odds of your home burning down are approximately 3%. But I bet you have home insurance.

The odds of you totaling your vehicle are approximately 18%. But I bet you have car insurance.

The odds of you needing some type of long-term care assistance at some point in your life are **72%**!

But yet, less than 30% of Americans have long-term care insurance.

Yes, you read that correctly. Approximately 3 out of every 4 Americans will need some type of long-term care at some point in their life. Are you willing to bet everything you have worked for that you will be that 1 person that doesn't need it???

It doesn't make any sense NOT to have it, especially with the flexibility of the products that are available today.

Let me put it this way – if you don't have a long-term care plan in place, the government has one put in place for you. How do you want to spend your most vulnerable years of your life? In a Hilton, or in Section-8 housing?

5. LONG-TERM CARE POLICY CASE STUDIES



Let's take a look at 2 popular solutions:

CASE STUDY #1:

Joe & Lisa are 68 & 62 years old and have \$650,000 in retirement assets that they believe they retire on comfortably in addition to their Social Security and Joe's pension. They know the benefits of safe-money and decided to protect \$150,000 in a standard Fixed Indexed Annuity and leave the remaining \$500,000 in the stock market.

Unfortunately, after 5 years of retirement, Lisa notices that Joe is starting to become forgetful, and he is diagnosed with Alzheimer's Disease. Joe does not want to be confined to memory care, so Lisa decides to fund in-home care for Joe and he lives for another 10 years.

Lisa spent approximately \$58,000 per year on home health services and adult day care, which only leaves her with \$70,000 (assuming no gains or losses) for the remainder of her life. If Lisa lives for another 20 years, she finds herself in a very difficult situation.

If Joe and Lisa would have known about the benefits of an appropriate Long-Term Care policy and qualified for the doubling long-term care benefit, Lisa would find herself with \$220,000 remaining. Or, \$370,000 if qualified for the tripling long-term care benefit.

	ORIGINAL STRATEGY	WITH LONG-TERM CARE DOUBLING BENEFIT	WITH LTC TRIPLING BENEFIT
ASSETS	\$ 500,000.00	\$ -	\$ -
FIXED INDEXED ANNUITY	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
ADDITIONAL LTC BENEFITS	\$ -	\$ 150,000.00	\$ 300,000.00
TOTAL	\$ 650,000.00	\$ 800,000.00	\$ 950,000.00
COST OF CARE	\$ 580,000.00	\$ 580,000.00	\$ 580,000.00
ASSETS REMAINING FOR LISA	\$ 70,000.00	\$ 220,000.00	\$ 370,000.00

An appropriate Long-Term Care Benefit can mean the difference between protecting yourself and loved ones, versus leaving them in a very difficult situation.

CASE STUDY #2:

Jerry and Kate are both 65. They are both in good health with plenty of income and assets. Jerry isn't necessarily worried about not being able to self-fund long-term care, but if there was a way to transfer some of that risk to an insurance company he would like to know.

Jerry decided to fund a Single Premium Policy that has a 100% Return of Premium using \$100,000 of his emergency funds that he keeps in cash. He knows it is just losing value sitting in the bank and doesn't foresee needing it except for a true financial emergency.

Jerry loved the idea that he could have his full \$100,000 returned to him at anytime with no questions asked. And although he knows the money does have an opportunity for growth, he couldn't argue with the guarantees of this type of LTC Policy below.

AGE	GUARANTEED SURRENDER VALUE	GUARANTEED DEATH BENEFIT	GUARANTEED MONTHLY LONG-TERM CARE BENEFIT	GUARANTEED PERCENTAGE INCREASE IN BENEFITS
65	\$ 100,000.00	\$ 209,000.00	\$ 4,180.00	109%
75	\$ 100,000.00	\$ 161,000.00	\$ 3,220.00	61%
85	\$ 100,000.00	\$ 160,398.00	\$ 3,208.00	60.40%
95	\$ 100,000.00	\$ 160,398.00	\$ 3,208.00	60.40%

On day one of Jerry's policy being issued, he increased legacy by **109%**! He knows there isn't anything else that achieves this except for insurance. And even if he lived for another 30 years, he would still leave behind a guaranteed **\$160,398** tax-free to his children! That's a *guaranteed* return of **1.59%** on his money over a 30-year period, which beats the heck out of what his savings account was paying him! All the while having a guaranteed monthly benefit to help offset the out-of-pocket cost if he ever needs in-home assistance or is confined to a long-term care or assisted living facility. He liked it so much he went ahead and got one for Kate too!

These are just 2 solutions out of a myriad of options that can be available to you.

The best way to figure out what's available and what's the best possible solution for you is to reach out to me at 636.926.6500, or visit www.atlasannuity.com to see my calendar.

6. LONG-TERM CARE FREQUENTLY ASKED QUESTIONS

WHAT IS THE AVERAGE COST OF LONG-TERM CARE?

Every state is different, but here are the annual National Averages as of 2021 according to Genworth:

Homemaker Services	\$59,488
Homemaker Health Aide	\$61,776
Adult Day Care	\$20,280
Assisted Living Facility (Private, One Bedroom)	\$54,000
Nursing Home Care (Semi-private room)	\$94,900
Nursing Home Care (Private room)	\$108,405

And these costs are steadily increasing!

DOES MEDICARE PAY FOR LONG-TERM CARE?

No. It will pay for some rehabilitation, but even that has limits. From days 1-20 Medicare will pay for certain rehab facilities. From days 21-100, Medicare requires the recipient to assume some of the cost, which as of 2023 is \$200 per day. After that, it's all out of your own pocket until you run out of money, and then you go on Medicaid.

DOES MEDICAID PAY FOR LONG-TERM CARE?

Basically, all of your assets are on the line to pay for long-term care before Medicaid kicks in. Every state has different limits, but here are some of the basics:

The only things that are exempt are personal belongings, household furnishings, an automobile, irrevocable burial trusts, and generally one's primary home. For home exemption, the Medicaid applicant must live in it or have intent to return, and in 2022, their home equity interest must be no greater than \$636,000. Equity interest is the amount of the home's value owned by the applicant. If a non-applicant spouse lives in the home, it is exempt regardless of where the applicant spouse lives and their home equity interest. After the Medicaid recipient's death, Medicaid can come after any remaining assets to attempt reimbursement.

If the Medicaid recipient's spouse does not have their own income (pension, S.S., investments), Medicaid will only allow a maximum of \$2,178 per month to be paid to the spouse for living expenses (State of MO). Basically, whoever's name is on the check, keeps the money. If it is a joint account/income, 50% is up for grabs to pay to the long-term care facility. If you can prove the spouse absolutely requires more to live on, in no case shall the spouse receive more than \$3,435 and cannot retain more than \$137,400 in joint investable assets (Some states will count the spouse's assets as well and demand for those be spent too). ALL other remaining assets must be paid to the nursing home.

CAN I HIDE MY ASSETS FROM MEDICAID SO THEY PICK UP THE ENTIRE BILL?

You cannot simply give your money away or hide it in a trust hoping that you can qualify for Medicaid and protect your assets. There is a 5-year lookback period and you will still be forced to come up with the amount to pay the long-term care facility even if you have already spent, or given the money away.

It's a complicated and costly process that must involve an attorney to do it correctly, and at the end of the day you will end up in a Medicaid facility which is exactly what you don't want to happen.

WHAT MUST HAPPEN FOR A LONG-TERM CARE BENEFIT TO PAYOUT?

For most long-term care policies, there is a 90-day exclusion and you must not be able to perform 2 out of 6 ADL's (Activities of Daily Living):

1. Bathing: Washing yourself and getting into or out of the tub or shower.
2. Continence: The ability to maintain control of bowel and bladder function, or caring for a catheter or colostomy bag.
3. Dressing: Putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
4. Eating: Feeding yourself, including by feeding tube or intravenously.
5. Toileting: Getting to and from the toilet, getting on and off the toilet and performing associated personal hygiene.
6. Transferring: Moving into or out of a bed, chair or wheelchair.

CAN A LONG-TERM CARE POLICY BE SET UP TO COVER BOTH ME AND MY SPOUSE?

Yes.

CAN I USE MY IRA OR TAX-DEFERRED ACCOUNT TO PAY FOR LONG-TERM CARE?

Yes. There is a process for using your Qualified Money into one of these policies.

WHAT'S THE DIFFERENCE BETWEEN ONE OF THESE POLICIES VERSUS A TRADITIONAL LONG-TERM CARE POLICY?

The traditional policy will continue to increase in price every year until it becomes unsustainable for most people and all the benefit is lost. Along with all the money that was paid into it.

DO I HAVE TO PUT A SINGLE LUMP SUM IN, OR CAN I MAKE PAYMENTS OVER TIME?

Yes. You have the option to do one or the other, or both. Some policies will only allow for a single-premium, and others will allow you to pay over time with the guarantee that the premium will never increase. Or you can do both to accelerate your benefit even faster.

SUMMARY

Long-term care insurance is a huge part of your retirement strategy that is often presented incorrectly or subjectively based on the agent's company. However, used correctly, long-term care insurance is a tremendous benefit to your retirement plan.

If you want to know how to use long-term care insurance as an actual strategy, I highly recommend setting up a short call with myself, where we can go over your goals and personalize an approach that will not only protect (and grow) your assets, but also protect the ones you love from an almost certain nightmare.

Having a strategy is truly the difference between working with an "insurance agent", vs. working with a **Professional Retirement Advisor**.

At Atlas Financial Strategies, Inc., we are an Independent Agency. That means we have access to every long-term care company in the marketplace and we shop every company to verify that we are getting you the very best possible policy available.

To book your No Obligation 30-minute phone call, go to www.atlasannuity.com

All the best ,

Marty Becker

DO YOU WANT TO SEE A LONG-TERM CARE STRATEGY THAT OUTPERFORMS 99.9% OF ALL LONG-TERM CARE INSURANCE PLANS?

Book your 100% free consultation now to receive an independent assessment of your situation and compare the options you've already been presented with...

- ✔ **Personalized Application of Long-Term Care Insurance For Your Retirement Plan** (I'll show you how to apply the concepts from this guide to your retirement and how they stack up against other plans)
- ✔ **A Crystal-Clear View Of The Numbers** (Numbers don't lie, and I'll give you a complete, fact based look at your current options compared to my strategy)
- ✔ **Zero Obligations To Buy Anything From Me** (I don't use fear or pressure for a sale in any way ever.)

VISIT: [ATLASANNUITY.COM](https://atlasannuity.com) OR CALL: 636-926-6500