



LTCstart.info

# Asset-Based Long-Term Care

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

## Long-Term Care (LTC) Facts and Figures <sup>1</sup>

**70%**

About 70% of Americans age 65+ will require some form of LTC\*

**>90%**

Married couples over age 65 have a greater than 90% chance of one member of the couple needing LTC\*

**3.2 years**

The average length of stay in LTC is 3.2 years

Just over 1 in 5 will need care for 5+ years

**42%**

Medicaid only covers 42% of America's Long-Term Care costs

**2.2 years<sup>2</sup>**

Average length of LTC need for men

**3.7 years<sup>2</sup>**

Average length of LTC need for women

**8 years<sup>3</sup>**

Average length of time after an Alzheimer's diagnosis

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

# Current and Projected Cost of Care —National Average<sup>4</sup>

2025

Care Type <sup>Δ</sup>	Cost (Monthly)	Cost (Annually)
Informal Care	\$6,751	\$81,010
Home Care	\$6,073	\$72,874
Assisted Living	\$5,590	\$67,085
Nursing Home	\$9,092	\$109,099

2035

Care Type <sup>Δ</sup>	Cost (Monthly)	Cost (Annually)
Informal Care	\$9,073	\$108,871
Home Care	\$8,161	\$97,936
Assisted Living	\$7,513	\$90,157
Nursing Home	\$12,218	\$146,619

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

## 2045

Care Type <sup>Δ</sup>	Cost (Monthly)	Cost (Annually)
Informal Care	\$12,193	\$146,313
Home Care	\$10,968	\$131,618
Assisted Living	\$10,097	\$121,163
Nursing Home	\$16,420	\$197,044

## 2055

Care Type <sup>Δ</sup>	Cost (Monthly)	Cost (Annually)
Informal Care	\$16,386	\$196,633
Home Care	\$14,740	\$176,883
Assisted Living	\$13,569	\$162,833
Nursing Home	\$22,068	\$264,811

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

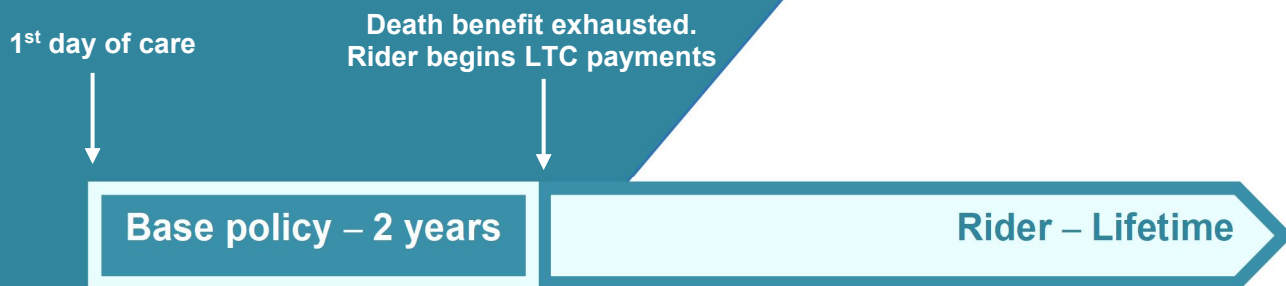
# How Asset-Based LTC Works

The diagram below shows our simple “Timeline.”

Think of it like a high-deductible health plan—except here the insurance company pays the entire “deductible” for you. To the left is the first day you need care. The Base Policy (a special life insurance policy or annuity) acts like that deductible and covers roughly the first 2 years of care using its death benefit.

Once that’s used up, the Continuation of Benefits Rider automatically takes over (just like insurance coverage kicking in after a deductible is met) and keeps paying the same monthly benefit for as long as you need.

You can fund it with cash, CDs, savings, life insurance cash value, retirement accounts, or even an income stream. Pay all at once or in fixed payments that are guaranteed never to increase.



\*Hypothetical timeline; actual duration varies by policy and needs

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

# Hypothetical Example #1- Funding with Income<sup>+</sup>

Male, age 49  
Female, age 48

This example shows a couple making continued contributions to their plan at \$5,594/yr, covering both their base plan and the Lifetime Continuation of Benefits rider. Under this plan, each spouse has access to up to \$7,000 per month in LTC benefit available – \$84,000 per year.

Base policy – 2 years		Rider – Lifetime	
\$5,594	Premium – annual guaranteed	Included	Premium – annual guaranteed
\$84,000	Annual LTC Benefit - each	\$84,000	Annual LTC Benefit - each
\$7,000	Monthly LTC Benefit - each	\$7,000	Monthly LTC Benefit - each
\$168,000	Death Benefit		

Under this plan, the base policy would cover the cost of care until the death benefit is depleted, at which point the Continuation of Benefits Rider would activate, and continue to pay for care as long as needed.

Should they not need care in their lifetimes, a tax-free Death Benefit would be paid out to their beneficiary when the longer-living spouse passes away.

+ All numeric examples listed are hypothetical and provided for explanatory purposes only.

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

## Hypothetical Example #2 - Funding with Savings<sup>+</sup>

Male, age 60  
Female, age 60

This example shows a couple making a one-time contribution of \$150,000, covering both their base plan and the Lifetime Continuation of Benefits rider. Under this plan, each spouse has access to up to \$7,618 per month in LTC benefit available – \$182,822 per year.

Base policy – 2 years		Rider – Lifetime	
\$150,000	Premium – one time	Included	Premium
\$91,411	Annual LTC Benefit - each	\$91,411	Annual LTC Benefit - each
\$7,618	Monthly LTC Benefit - each	\$7,618	Monthly LTC Benefit - each
\$182,822	Death Benefit		

Under this plan, the base policy would cover the cost of care until the death benefit is depleted, at which point the Continuation of Benefits Rider would activate, and continue to pay for care as long as needed.

Should they not need care in their lifetimes, a tax-free Death Benefit would be paid out to their beneficiary when the longer-living spouse passes away.

<sup>+</sup> All numeric examples listed are hypothetical and provided for explanatory purposes only.

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

## Hypothetical Example #3 - Funding with Savings<sup>+</sup>

Male, age 60  
Female, age 60

This example shows a couple making a one-time contribution of \$100,000, covering their base plan, and making continued contributions of \$7,305/yr to fund the Lifetime Continuation of Benefits rider. Under this plan, each spouse has access to up to \$10,194 per month in LTC benefit available – \$122,324 per year.

Base policy – 2 years		Rider – Lifetime	
\$100,000	Premium – one time	\$7,305	Premium – annual guaranteed
\$122,324	Annual LTC Benefit - each	\$122,324	Annual LTC Benefit - each
\$10,194	Monthly LTC Benefit - each	\$10,194	Monthly LTC Benefit - each
\$244,648	Death Benefit		

Under this plan, the base policy would cover the cost of care until the death benefit is depleted, at which point the Continuation of Benefits Rider would activate, and continue to pay for care as long as needed.

Should they not need care in their lifetimes, a tax-free Death Benefit would be paid out to their beneficiary when the longer-living spouse passes away.

+ All numeric examples listed are hypothetical and provided for explanatory purposes only.

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.



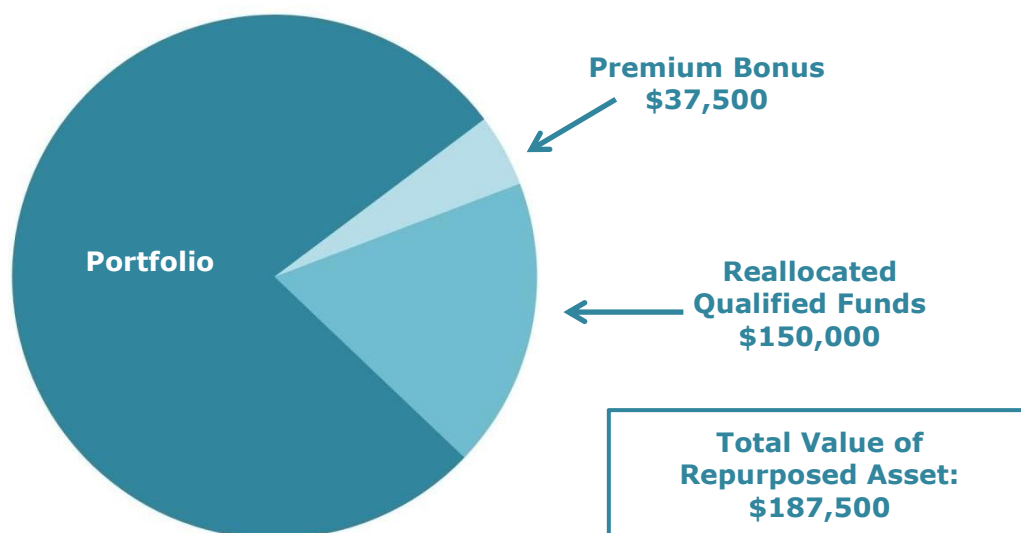
## Hypothetical Example #4 - Funding with Qualified Retirement Funds<sup>+</sup>

Using money from qualified retirement accounts (like IRAs or 401(k)s) brings taxes into play. Since pulling money out is taxable income, we set it up a bit differently to make it tax-efficient.

Instead of one big payment, your funds first go into a Single-Premium Immediate Annuity (SPIA)—a simple annuity that automatically sends 10 equal yearly payments straight to your LTC plan.

When you move the money into the SPIA, the insurance company adds a 25% premium bonus to its value right away. Spreading payments over 10 years—plus the bonus—helps mitigate your tax burden.

1	2	3
Assess your portfolio	25% Premium Bonus	Repurposed Asset
How much do you want to reallocate?	Insurance company provides you with a 25% automatic premium bonus	Repurposed asset pays for your policy



<sup>+</sup> All numeric examples listed are hypothetical and provided for explanatory purposes only.

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

## Hypothetical Example #4 - Funding with Qualified Retirement Funds<sup>+</sup>

Male, age 60  
Female, age 60

This example shows a couple reallocating \$150,000 from a qualified retirement account and receiving a 25% bonus (\$37,500). The plan is automatically paid in 10 annual installments, covering their Base Plan and the Lifetime Continuation of Benefits rider. Under this plan, each spouse has access to up to \$6,934 per month in LTC benefit available – \$83,208 per year.

Base policy – 2 years		Rider – Lifetime	
\$18,750	Premium – annual 10 years	included	Premium – annual 10 years
\$83,208	Annual LTC Benefit - each	\$83,208	Annual LTC Benefit - each
\$6,934	Monthly LTC Benefit - each	\$6,934	Monthly LTC Benefit - each
\$166,415	Death Benefit		

Under this plan, the base policy would cover the cost of care until the death benefit is depleted, at which point the Continuation of Benefits Rider would activate, and continue to pay for care as long as needed.

Should they not need care in their lifetimes, a tax-free Death Benefit would be paid out to their beneficiary when the longer-living spouse passes away.

<sup>+</sup> All numeric examples listed are hypothetical and provided for explanatory purposes only.

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, 10 and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.

## Care Types ( $\Delta$ )<sup>4</sup>

**Informal Care** - Care that is provided by an unpaid individual — usually a spouse, partner, or family member — who assist an individual with Activities of Daily Living (ADLs), instrumental activities of daily living (iADLs) such as laundry and housekeeping, or other living and medical needs. This care is usually given in a home setting.

**Home Care** - Medical or non-medical maintenance or personal care services, generally delivered in a private home. Qualified long-term care services may be provided by skilled or unskilled medical personnel of a hospital or home health care agency, or by unskilled individuals.

**Assisted Living** - A residential living arrangement that is licensed to provide different levels of support, personal care, and health services to people who need help with Activities of Daily Living (ADLs), but don't need the level of 24/7 care provided by nursing homes. Assisted Living Facilities are most often complexes that offer studio and apartment-style living for those receiving care.

**Nursing Home** - A licensed facility, other than a hospital, that provides Skilled Nursing or Custodial Care. Skilled Nursing Care is administered by licensed professionals, generally for a short term and may include such services as physical therapy, wound care, or rehabilitation. Custodial Care can be performed by unskilled personnel, provides assistance with Activities of Daily Living (ADLs), and is received by patients that are generally not expected to recover.

\* The 70% and >90% probability that at least one spouse in a married couple aged 65+ will need long-term care is derived from **U.S. Department of Health and Human Services** data showing an approximate 70% lifetime risk for individuals turning age 65 (men ~63%, women ~76-78%).

Calculation:  $1 - (\text{probability neither needs care}) = 1 - (0.30 \times 0.22) \approx 93\%$ , commonly rounded to 90–92% in consumer literature. Referenced from sources “1” and “2”.

### Outside Publications Cited:

1. <https://www.aplaceformom.com/senior-living-data/articles/long-term-care-statistics> Sept. 12, 2023
2. <https://acl.gov/ltc/basic-needs/how-much-care-will-you-need>. Last modified: 04/15/2024
3. <https://www.alz.org/media/Documents/alzheimers-facts-and-figures.pdf>
4. <https://la.hvsfinancial.com/Applications/HVSLTCMap/>

Intended for educational purposes only and does not offer or guarantee insurance coverage. Availability, costs, 11 and eligibility for long-term care insurance vary by age, health, and state laws. Numeric values presented are hypothetical and provided for explanatory purposes only unless cited from an outside publication. Numbers cited from outside sources reflect values at time of publication of this document and are subject to change.

No specific insurance carriers or policies are presented or endorsed. This is not a solicitation of insurance in the state of New York. Contact a licensed professional for personalized advice; premiums/benefits subject to underwriting and state approval. Please visit [www.LTCstart.info](http://www.LTCstart.info) for more information.