

# LONG-TERM CARE INSURANCE PERSONAL WORKSHEET

This worksheet will help you understand some important information about this type of insurance. State law requires companies issuing this policy to **give** you some important facts about premiums and premium increases and to **ask** you some important questions to help you and the company decide if you should buy this policy. Long-term care insurance can be expensive and it may not be right for everyone.

## Premium Information

Applicant A

The premium for the coverage you're considering will be \$\_\_\_\_\_ per month, or a total of \$\_\_\_\_\_ per year.

Applicant B

The premium for the coverage you're considering will be \$\_\_\_\_\_ per month, or a total of \$\_\_\_\_\_ per year.

**The premium quoted in this worksheet isn't guaranteed and may change during the underwriting process and in the future while this policy is in force.**

## Type of Policy & The Company's Right to Increase Premiums on the Coverage You Choose:

Guaranteed renewable - The company can increase your premiums on this policy in the future if it increases the premiums for all policies like yours in this state.

## Premium Increase History

Mutual of Omaha Insurance Company has sold long-term care insurance since 1987 and has sold this policy form since 2013. The company has not increased its premiums on this policy, but has on similar policies in the last ten (10) years. There was a 30% or greater premium increase in 2022. The following is a summary of the rate increases for comprehensive coverage that the company has sold.

| Policy Form*          | Years Available for Purchase | National Rate History  |
|-----------------------|------------------------------|--|
| LT50/NH50/NHA/LTA/HCA | 1997 - 2004                  | 18% overall rate increase 2015                                   |
| LT50/NH50/NHA/LTA/HCA | 1997 - 2004                  | 10% overall rate increase 2016                                   |
| LT50/NH50/NHA/LTA/HCA | 1997 - 2004                  | 30% overall rate increase 2022                                   |
| LTC04I                | 2004 - 2015                  | 19% overall rate increase 2013                                   |
| LTC04I                | 2004 - 2015                  | 2022 rate increase range: 0% - 38%                               |
| LTC04G                | 2004 - 2014                  | 22% overall rate increase 2013<br>(for issues prior to 8/1/2007) |
| LTC04G                | 2004 - 2014                  | 2022 rate increase range: 0% - 38%                               |
| LTC04I7               | 2006 - 2009                  | 2022 rate increase range: 0% - 38%                               |
| LTC09M                | 2009 - Present               | 2022 rate increase range: 0% - 38%                               |
| LTC13                 | 2013 - Present               | No Rate Increase   |

The rate increases listed above represent the overall comprehensive rate increases filed nationally. The availability, rate increase amounts, and dates of approvals vary by state.

\*Or state equivalent.

## Questions About Your Income

You do not have to answer the questions that follow. They're intended to make sure you've thought about how you'll pay premiums and the cost of care your insurance doesn't cover. If you don't want to answer these questions, you should understand that the company might refuse to insure you.

Applicant A

1. What resources will you use to pay your premium?
- Current income from employment
  - Current income from investments
  - Other current income
  - Savings  Sell investments
  - Sell other assets  Money from my family
  - Other \_\_\_\_\_

*If you'll be paying premiums with money received only from your own income, a rule of thumb is that you may not be able to afford this policy if the premiums will be more than seven percent (7%) of your income.*

2. Could you afford to keep this policy if your spouse or partner dies first?
- Yes  No  Hadn't thought about it
  - Don't know  Doesn't apply

3. What would you do if the premiums went up, for example, by fifty percent (50%)?
- Pay the higher premium
  - Call the company/producer  Reduce benefits
  - Drop the policy  Don't know

4. What is your household annual income from all sources? (Check one)
- Less than \$10,000  \$10,000-\$20,000
  - \$20,001-\$30,000  \$30,001-\$50,000
  - More than \$50,000

5. Do you expect your income to change over the next ten (10) years? (Check one)
- No  Yes, expect increase  Yes, expect decrease

6. If you plan to pay premiums from your income, have you thought about how a change in your income would affect your ability to continue to pay the premium?
- Yes  No  Don't know

7. Will you buy inflation protection? (Check one)
- Yes  No

*Inflation may increase the cost of long-term care in the future.*

If you don't buy inflation protection, how will you pay for the difference between future costs and your daily benefit amount?

- From my income  From savings
- From investments  Sell other assets
- Money from my family  Other

*The national average annual cost of nursing home care in 2021 was \$113,530, but this figure varies across the country. In ten years the national average annual cost would be about \$185,000 if costs increase five percent (5%) annually.*

8. What elimination period are you considering?
- Number of days \_\_\_\_\_ in elimination period
- Approximate cost of care for this period: \$ \_\_\_\_\_

*(Multiply the number of days by the approximate daily cost of care.)*

9. How do you plan to pay for your care during the elimination period? (check all that apply)
- From my income
  - From my savings/investments
  - My family will pay

Applicant B

1. What resources will you use to pay your premium?
- Current income from employment
  - Current income from investments
  - Other current income
  - Savings  Sell investments
  - Sell other assets  Money from my family
  - Other \_\_\_\_\_

2. Could you afford to keep this policy if your spouse or partner dies first?
- Yes  No  Hadn't thought about it
  - Don't know  Doesn't apply

3. What would you do if the premiums went up, for example, by fifty percent (50%)?
- Pay the higher premium
  - Call the company/producer  Reduce benefits
  - Drop the policy  Don't know

4. What is your household annual income from all sources? (Check one)
- Less than \$10,000  \$10,000-\$20,000
  - \$20,001-\$30,000  \$30,001-\$50,000
  - More than \$50,000

5. Do you expect your income to change over the next ten (10) years? (Check one)
- No  Yes, expect increase  Yes, expect decrease

6. If you plan to pay premiums from your income, have you thought about how a change in your income would affect your ability to continue to pay the premium?
- Yes  No  Don't know

7. Will you buy inflation protection? (Check one)
- Yes  No

If you don't buy inflation protection, how will you pay for the difference between future costs and your daily benefit amount?

- From my income  From savings
- From investments  Sell other assets
- Money from my family  Other

8. What elimination period are you considering?
- Number of days \_\_\_\_\_ in elimination period
- Approximate cost of care for this period: \$ \_\_\_\_\_

9. How do you plan to pay for your care during the elimination period? (check all that apply)
- From my income
  - From my savings/investments
  - My family will pay

**Questions About Your Savings and Investments**

**Applicant A**

1. Not counting your home, about how much are all your assets (your savings and investments) worth? (Check one)
- Less than \$20,000       \$20,000-\$30,000  
 \$30,001-\$50,000       More than \$50,000
2. Do you expect the value of your assets to change over the next 10 years? (Check one)
- No    Yes, expect increase    Yes, expect decrease

**Applicant B**

1. Not counting your home, about how much are all your assets (your savings and investments) worth? (Check one)
- Less than \$20,000       \$20,000-\$30,000  
 \$30,001-\$50,000       More than \$50,000
2. Do you expect the value of your assets to change over the next 10 years? (Check one)
- No    Yes, expect increase    Yes, expect decrease

*If you are buying this policy to protect your assets and your assets are less than \$50,000, experts suggest you think about other ways to pay for your long-term care.*

**Disclosure Statement**

**(must check one)**

The answers to the questions on this Personal Worksheet describe my financial situation.

**OR**

I choose not to complete this information. **You may be contacted by a company representative to confirm your decision.**

**◀ THIS BOX MUST BE CHECKED**

I agree that the company and/or its producer (below) has reviewed this worksheet with me including the premium, premium increase history and potential for premium increases in the future. I understand the information contained in this worksheet.



**X**

\_\_\_\_\_  
Signature of Applicant A      Date

**(must check one)**

The answers to the questions on this Personal Worksheet describe my financial situation.

**OR**

I choose not to complete this information. **You may be contacted by a company representative to confirm your decision.**

**◀ THIS BOX MUST BE CHECKED**

I agree that the company and/or its producer (below) has reviewed this worksheet with me including the premium, premium increase history and potential for premium increases in the future. I understand the information contained in this worksheet.



**X**

\_\_\_\_\_  
Signature of Applicant B      Date

I explained to the applicant(s) the importance of answering these questions.

\_\_\_\_\_  
Printed Name of Producer



**X**

\_\_\_\_\_  
Signature of Producer      Date

**Applicant A**

My producer has advised me that this long-term care insurance policy doesn't seem to be suitable for me. However, I still want the company to consider my application.



**X**

\_\_\_\_\_  
Signature of Applicant A      Date

**Applicant B**

My producer has advised me that this long-term care insurance policy doesn't seem to be suitable for me. However, I still want the company to consider my application.



**X**

\_\_\_\_\_  
Signature of Applicant B      Date

*Someone from the company may contact you to discuss your answers and the suitability of this policy for you.*

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