

# LTC Sales Funnel

Finances Health preferences

Excellent

Stand-alone LTCI

\$ 6x

Good

Hybrid Life/LTC

\$ 5x

Moderate

Hybrid Annuity/LTC

\$ 4x

Poor

Life/CI Rider

\$ 3x

Health Status

Uninsurable

STC / Pre-Paid HHC

\$ 2x

LTC Benefit Leverage

ADL Dependent

FIA SPIA

\$ 1x



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Perfect LTC Solution

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**The LTC Sales Funnel** allows our brokers to always have a recommendation for their client that is more efficient than self-funding. We accomplish this by having solutions along the full health continuum that focuses on providing the most long term care benefit leverage available in the market to that particular client. This can include clients who are thought of as uninsurable or who are already receiving LTC services. We creatively use many different types of insurance solutions that provide leverage to pay LTC expenses that otherwise would jeopardize the entire retirement portfolio.

### The Process

The process begins with Fact Finding. It is imperative that the broker is familiar with the client's health, finances, and preferences. Health questions will help us to determine which solutions are available to the client. Financial questions will help us to find the money to fund the plan. We also recommend that the broker give a brief summary of the different types of solutions that are available and get a general sense for which type of solution the client prefers.

### The Solutions

- **Stand-alone LTCI** – This solution provides the most LTC benefit leverage in the market. It only requires morbidity (LTC) underwriting.
- **Hybrid Life/LTC** – This solution offers a death benefit that will be paid to beneficiaries if care is never needed. These solutions generally require both mortality (Life) and morbidity (LTC) underwriting.
- **Hybrid Annuity/LTC** – This solution offers income tax free payments of annuity gains if used for LTC expenses. These solutions only require simplified morbidity underwriting.
- **Life/CI Rider** – This solution offers a death benefit that will be paid to beneficiaries if care is never needed. The Chronic Illness rider allows your death benefit to be accelerated to pay for chronic illness expenses. These solutions may not require morbidity underwriting which allows for conditions that are insurable for life insurance but not long term care.
- **STC / Pre-Paid HHC** – Short Term Care insurance provides similar coverage to long term care but with short benefit periods. The maximum benefit period is 360 days. It can be helpful for clients who have a limited budget or those who need simplified morbidity underwriting. Pre-Paid Home Health Care membership can offer clients an option to receive reduced-cost care in their homes, making their dollar stretch further than paying for care out of pocket.
- **FIA** – Fixed Indexed Annuities can provide a guaranteed income stream for life (without annuitizing) which is enhanced when long term care is needed. This solution works well for those clients who are uninsurable for both life insurance and long term care insurance. It is not intended to pay for all LTC expenses. It provides a safe place to set aside money for future LTC expenses with additional income provided for care.
- **SPIA** – Medically underwritten single premium immediate annuities provide a guaranteed lifetime stream of income for those who are already receiving care. It can provide a higher income stream than traditional SPIA's due to the client's reduced life expectancy. This strategy creates a firewall around the family's estate by paying for LTC expenses on a guaranteed lifetime basis.

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