

A Tool for your
Success

Long-Term Care *sales kit*

*2017 Genworth Cost of Care Survey Results
Consumer Planning Guide
LTC Sales Ideas & Marketing Guide*

Brought to you by Pinney Insurance Center, Inc.
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› The Changing Landscape of Long-Term Care Planning

LTCi Remains Firmly Rooted as a Viable Option

Even though the long-term care planning landscape is changing, there's one thing that's stayed the same. A traditional LTCi policy remains a viable way for your clients to protect themselves from the risk of needing LTC services.

Consumers today have more choices than ever before when it comes to funding potential long-term care services. While other funding vehicles may be good options for some people, a traditional LTCi policy continues to be the best option for many of your clients.

70%
The percentage of people turning age 65 who can expect to use some form of long-term care during their lifetime.

(Source: ltc.gov)

ADVANTAGES OF OWNING A TRADITIONAL LTCi POLICY

- › The least expensive way to fund long-term care services, providing strong value for the consumer
- › Benefits are more comprehensive and generous than those provided by combined products
- › Flexible policies provide coverage during the progression of care
- › Provides known coverage amounts on day one
- › Prevents having to liquidate assets to pay for care
- › Includes additional benefits such as care coordination
- › Benefits can grow over time with inflation protection options
- › Premiums are tax deductible
- › Policies may be partnership qualified

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A traditional LTCi policy is significantly less expensive than any other alternative on the market today.

TARGETING THE RIGHT PEOPLE

Based on a snapshot of our own policyholders, we know LTCi buyers share these similarities:

- › Female, age 50 to 65
- › Household income of \$50,000 to \$250,000
- › Married with adult children
- › Working in a white-collar profession; not yet retired
- › College educated
- › Living in a metropolitan area with a population of at least 250,000
- › A homeowner with 11 or more years in the current residence
- › A “planner” who is interested in financial issues; owns life insurance and other conservative investment products
- › Family oriented
- › Exposed to LTC issues; knows someone (a family member or friend) who has needed LTC services
- › Research oriented; an online user; self-educated about LTCi



THREE REASONS PEOPLE BUY LTCI

- Family** – They don’t want their kids to have to take care of them. The last thing most people want is to become a burden to their family.
- Home** – They want to avoid going to a nursing home. Most people prefer to get the care they need in the comfort of their own home.
- Nest Egg** – They don’t want to risk spending the assets they’ve worked a lifetime to accumulate to pay for LTC services.

A traditional LTCi policy remains an important element in a sound financial plan.



Long-Term Care Insurance

Tax Advantages for Business Owners

Depending on the tax-structure of your business, there may be significant tax savings when you use business dollars to purchase long-term care insurance.

- **Premiums may be tax-deductible**

Under current tax laws, you may be able to deduct either the **actual premium** or **eligible premium** paid on a tax-qualified long-term care insurance policy.

Actual premium is the actual amount paid for a long-term care insurance policy

Eligible premium is an amount determined annually by the federal government

- **Policy benefits may be tax-free**

Benefits paid by a tax-qualified long-term care insurance policy are intended to be tax-free as long as they do not exceed the greater of qualified long-term care daily expenses or the per-day limitation, which is \$340 in 2016. Source: Section 7702B of the Internal Revenue Code (IRC)

The Tax Advantages of Long-Term Care Insurance		
For Your Business	Self-Employed Business Owners (Sole Proprietor, Partnership, LLC, S Corporation)	Owners of C Corporations
	<p>Eligible premium may be tax deductible when the business purchases long-term care insurance policies for:</p> <ul style="list-style-type: none"> • Owner • Spouse • Dependents <p>Actual premium may be tax deductible when the business purchases long-term care insurance for:</p> <ul style="list-style-type: none"> • Employees 	<p>Actual premium may be tax deductible when the business purchases long-term care insurance policies for:</p> <ul style="list-style-type: none"> • Owner/Employee • Spouse • Dependents • Employees

Eligible Premium Guidelines for 2016	
At age:	You can deduct:
40 and younger	\$390
41-50	\$730
51-60	\$1,460
61-70	\$3,900
71 and older	\$4,870

Source: IRS Revenue Procedure 2015-53

Eligible premiums are established annually based on the medical care components of the Consumer Price Index.

The information provided is not intended to be tax advice. Consult your tax advisor to determine the tax benefits for your business.

NOTE: Certain employers are governed by the Employee Retirement Income Security Act of 1974 (ERISA) when “sponsoring” a long-term care program (i.e., paying a portion of the premium, endorsing or promoting solicitation of the coverage during work hours, etc.). Whether ERISA applies to your employee benefit program depends on your unique situation. Therefore, Mutual of Omaha will not determine whether your business must comply with ERISA. Please consult a tax advisor or other qualified professional.

In addition to ERISA, many state regulations also have limitations which would require compliance for employers with as few as five employees. Federal and state laws should be evaluated to determine limitations for employer groups. Again, a tax advisor should be consulted. Our Long-Term Care insurance policy premium rates are gender-based. Therefore it is not designed to be compliant with ERISA or Title VII or similar state laws and generally is not appropriate for an employer sponsored plan. Please consult a legal or tax advisor or other qualified professional for more information.

Long-term care insurance is underwritten by Mutual of Omaha Insurance Company, 3300 Mutual of Omaha Plaza, Omaha, NE 68175, 1-800-775-6000. Policy form: LTC13 (or state equivalent). In CA, LTC09-CA; in FL, LTC13-FL; in NY, LTC13-NY. This policy has exclusions, limitations, reductions and terms under which the policy may be continued in force or discontinued. For costs and complete details of coverage, call your agent/producer or write to the company.

This is a solicitation of insurance. You may be contacted by telephone by an insurance agent/producer.

> Long-Term Care Sales Ideas

TIPS FOR TURNING NEEDS AND CONCERNS INTO SALES



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Sales Ideas

Do you ever wonder how to find people to talk to or how to begin a conversation about LTCi?

Do you know what's keeping your clients up at night or what problem they're trying to solve?

Can you effectively use product features to overcome their fears and address their concerns?

This booklet gives you tips and ideas to tackle these issues head on so you can turn your clients' needs and concerns into sales.

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Sales Idea:**Look for People who Match the Profile of a Typical LTCi Buyer**

A survey of our policyholders allowed us to capture a snapshot of a typical LTCi buyer. We found that most often, people who purchase LTCi share these similarities:

- Female, age 55 to 64
- Married with adult children
- Working in a white-collar profession; not yet retired
- College educated
- Living in a metropolitan area with a population of at least 250,000
- A homeowner with 11 or more years in the current residence
- Affluent; upper middle class with a household income of \$100,000 or more
- A “planner” who is interested in financial issues; owns life insurance and other conservative investment products
- Family oriented
- Exposed to LTC issues; knows someone (a family member or friend) who has needed LTC services
- Research oriented; an online user; self-educated about LTCi
- Generally skeptical and mistrusting of financial advisors and insurance companies

Sales Idea:**Search Your Database of Existing Clients**

You already have a built-in supply of prospects. Your existing clients know and trust you, and that means they’ll be receptive to talking with you about LTCi. Just look for people who fit the profile of a typical LTCi buyer.

Sales Idea:**Get Active in the Community**

Your community provides a wealth of prospective clients. You just need to know where to look:

- **Centers of Influence** – Partner with accountants or attorneys in your area. These can be mutually beneficial relationships
- **Civic Organizations** – Join local organizations and make yourself known to the members of your community. Offer your services as a speaker at an upcoming meeting
- **Associations** – Place ads in association newsletters and offer to speak to the association’s membership
- **Referrals** – Don’t forget to ask everyone you talk to if they know someone who could benefit from your services

**Sales Idea:****Look for People with a Common Employer**

Policies in the MutualCare® Solutions portfolio include a common employer allowance that entitles co-workers to a 5 percent savings on their premium.

Here’s How it Works:

- A minimum of five applications is required. The initial five applications must be submitted together
- No employer endorsement is needed. The policy is not designed to be ERISA/Title VI compliant and therefore should not be offered as a worksite/multilife program
- Once the common employer group is established, subsequent applications can be submitted under that employer
- The common employer allowance is available to the employee and his or her partner
- Employer sponsorships are not allowed. This includes paying all or a portion of the premium, endorsement of the coverage during work hours, support for payroll deduction and list billing

Using the common employer allowance is a good way to generate referrals. So be sure to ask prospective clients for the names of their co-workers. Then use the common employer allowance to help make more sales.

➤ Begin the Conversation

Sales Idea:

Get People to Share Their Dreams for Retirement

Most people aren't eager to talk about long-term care. So get them to talk about their dreams for retirement instead.

Where will they live?

How will they spend their time?

Where will they get the money to pay for the things they plan to do in retirement?

Once they lay out their plan, it becomes easier to begin a discussion. Talk to them about how the need for long-term care services could put their dreams for retirement in jeopardy.

Sales Idea:

Discuss What it Means to Live a Long Life

While most people plan to live a long life, they don't want to think about getting old. They don't like the idea of having to depend on someone else for help. And they certainly don't want to end up in a nursing home. Here's a good way to begin the conversation about what it means to live a long life and establish the need for long-term care.

Conversation Starter	If you're like most people, you plan to live a long life, right? Let's talk about how that could impact your spouse and children.
Talking Points	There's no way around it. People who live a long life get old. And that often means they need help with everyday activities. Get your prospective clients to talk about: <ul style="list-style-type: none">• Where they want to live?• What they would do if they were unable to manage on their own?• Who they could rely on for help?

Sales Idea:

Explore the Impact on the Family

A long-term care situation doesn't only impact the individual who needs care. It also can affect the family. If you or someone you know had a long-term care experience, now is the time to share the impact it had on the family.

Conversation Starter	Many of my clients have experienced the emotional, physical and financial toll of caring for a loved one. I want to make sure what happened to those families doesn't happen to yours.
Talking Points	Discuss how the need for long-term care services has the potential to: <ul style="list-style-type: none">• Affect the caregiver through missed work, lost wages or exhaustion• Cause family disagreements or hard feelings when one person assumes a greater share of caregiving duties• Deplete a family's savings or require assets to be liquidated to pay for care

Sales Idea:

Ask How They Plan to Pay

Many people haven't thought about how they'll pay for long-term care. Others mistakenly believe their health insurance or the government will pay. Here's a good way to begin the discussion and educate prospective clients about the different options.

Conversation Starter	How do you plan to pay for the care you may need someday?
Talking Points	Health insurance doesn't pay for long-term care services. Medicare coverage is limited. And relying on Medicaid may mean spending down assets to qualify. A long-term care insurance policy may be the best way to help your clients: <ul style="list-style-type: none">• Pay for care in the setting they prefer• Avoid the risk of depleting a lifetime of savings• Continue to enjoy the life they'd planned



Sales Idea:

Take Time to Learn Your Client's Primary Concern

Consumer research tells us there are three primary problems people are trying to solve with the purchase of an LTCi policy:

Family – Over half of the people we surveyed said they bought LTCi because they'd been a caregiver for someone with a chronic illness or disability. This experience left them determined not to let that happen to their family.

Home – People who purchased LTCi did so to ensure they would have the option to receive care at home. They also felt it would allow them to maintain their independence and personal dignity.

Nest Egg – Long-term care services are expensive. And most people simply can't afford to pay for these services out of their own pockets. Survey participants told us they purchased LTCi to protect the assets they'd worked a lifetime to accumulate.

Avoid the temptation to jump in and start selling. Instead, take some time to get to know your clients. Learn what concerns them most. Find out what's keeping them up at night. Wait until you understand their problem before offering a solution.

Sales Idea:

Provide a Better Alternative than Relying on Family

You're certain to run into prospective clients who believe their kids will take care of them. While it may seem like a simple solution, these people need to consider what being a caregiver really means.

Children typically have their own family and career obligations. So adding the role of caregiver to an already busy day can take a physical, financial and emotional toll.

- It's not unusual for caregivers to ignore their own health, often becoming ill themselves
- A child frequently must take time off work or quit a job altogether in order to care for a parent
- Family conflicts sometimes arise when one child assumes a greater share of caregiving duties

There's no doubt most children will step in to help their parents when the time comes. An LTCi policy provides the funds to hire professional services so the kids don't have to take on the full responsibility of caregiving. LTCi simply allows them to keep the promise they made to care for their parents by hiring professionals to be there when they can't.

➤ Address the Need for LTCi

Sales Idea:

Keep Your Clients out of a Nursing Home

Many people equate long-term care with a nursing home. And since that's someplace they really don't want to go, they don't think they need an LTCi policy. When you encounter prospective clients who are adamant about staying at home, show them how today's policies are designed to help them get the care they need in the comfort of their own homes. Here's how:

Cash Benefit – Our built-in cash benefit with no elimination period provides flexibility to receive benefits in cash each month as opposed to waiting to be reimbursed for actual expenses incurred. Having cash up front can be helpful as families explore care alternatives or pay for services not otherwise covered by the policy.

Stay-at-Home Benefits – Our policies allow people to get the help they need to continue living at home. This includes help with the activities of daily living like bathing and dressing, homemaker services such as grocery shopping, meal preparation and housekeeping, and the professional services of a registered nurse, home health aide or therapist.

Care Coordination – This is another way our policies help people access policy benefits designed to help them remain safely at home. There's no elimination period to satisfy for care coordination services, so a care coordinator can be assigned right away. The care coordinator then will assess the needs of the insured, develop an individualized plan of care and help arrange for long-term care services.

If your clients know that home is where they want to stay, help them understand the importance of planning for the day when they can no longer manage on their own. Then show them how an LTCi policy can help pay for the care they need.



Sales Idea:

Protect a Retirement Nest Egg

When planning for retirement, many people fail to consider one important and potentially significant expense...the cost of long-term care services. The average cost of nursing home care is quickly approaching \$80,000 a year. And that's just for one person. If both partners need care, a retirement nest egg could be depleted quickly. Without a plan to pay for long-term care services, your clients could be putting everything they worked a lifetime to accumulate at risk.

WHAT THE COST?

The cost of long-term care services continues to rise. Who knows what it will be 10, 15, or 20 years down the road when your clients are likely to need care. Consider today's national average costs based on Mutual of Omaha's Cost-of-Care Survey:

Home Health Care	Assisted Living Facility	Nursing Home
\$22 per hour	\$4,245 per month	\$85,048 per year

HOW WILL THEY PAY?

Like most people, your clients may mistakenly believe their long-term care needs already are taken care of. However, major medical insurance doesn't cover long-term care services. Medicare coverage is limited to helping people get back on their feet after an illness or injury. And relying on Medicaid may mean spending down assets to qualify.

With these options off the table, how would your clients pay for the care they may need? Here are three good questions to get them thinking:

- Could you afford to pay up to \$85,000 a year out of your retirement savings?
- Would you have access to the funds you need? Or would you have to sell assets, cash in stocks, or dip into 401(k) or other savings accounts?
- Which asset would you use to pay for long-term care services?

Sales Idea:

Demonstrate the Benefit of a Partnership Policy

Owning a partnership-qualified policy allows your clients to protect a portion of their retirement savings while providing a Medicaid safety net.

WHAT IS PARTNERSHIP?

- Long-term care partnership programs are alliances between participating states and private insurance companies
- In order for an LTCi policy to be partnership-qualified, the state must recognize partnership policies and the policy must be filed with and approved by the state
- Partnership programs are specifically designed to encourage people who otherwise might plan to rely on Medicaid for their long-term care needs to purchase LTCi policies
- Owning a partnership-qualified policy entitles people who deplete their policy benefits to retain a specific amount of assets and still qualify for Medicaid, provided they meet all other Medicaid eligibility requirements
- Asset protection is provided on a dollar-for-dollar basis. For example, someone who owns a partnership-qualified policy with a \$200,000 policy limit can protect \$200,000 in assets from the required Medicaid spend-down
- In order to be considered partnership qualified, the policy must be tax qualified and include inflation protection for applicants under age 76

MORE ABOUT INFLATION PROTECTION

In states that recognize partnership policies, the Deficit Reduction Act of 2005 (DRA) clearly spells out inflation protection requirements. Each state has the right to determine the inflation percentages that qualify. Some states have reduced the inflation protection minimum to 1 percent. That's good news because MutualCare® Custom Solution policies offer inflation percentages beginning at 1 percent. That gives your clients a low-cost way to ensure a portion of their assets are protected if they need to apply for Medicaid.

Age at Time of Purchase	Inflation Protection Required
Under age 61	Compound annual inflation protection is required
Age 61 to 76	Some level of inflation protection is required
Over age 76	Inflation protection is optional

MORE ABOUT PARTNERSHIP PROGRAMS

It's important to remember that Mutual of Omaha's LTCi policies may not be available for partnership-qualified status in all states. Eleven states currently do not offer partnership programs. Four additional states have grandfathered partnership programs making them exempt from DRA requirements. You'll find complete details about partnership programs in the LTC product section on Sales Professional Access.



➤ Use Product Features to Solve a Problem

Sales Idea:

Keep People at Home with Cash

When families gather to make tough decisions about the long-term care needs of a loved one, typically their first priority is to find a way for a family member to receive care at home.

Mutual of Omaha's built-in cash benefit, available on both MutualCare® Secure Solution and MutualCare® Custom Solution policies, is intended to help pay for long-term care services people receive at home. The cash can be used for any expense related to the insured's long-term care needs. There's no elimination period to satisfy, no bills to submit for reimbursement, and no worrying about whether an incurred expense will qualify for coverage.

Here's How it Works:

- When the insured goes on claim, he or she may elect to receive policy benefits in cash. This is in lieu of reimbursement benefits
- There's no elimination period to satisfy. The cash benefit is available as soon as the insured qualifies for benefits under the policy
- The cash can be used for any type of long-term care expenses the insured chooses. This includes housekeeping services, care provided by family members, or other out-of-pocket costs
- The insured has the flexibility to switch between cash and reimbursement benefits at any time. Remember the policy's elimination period applies for reimbursement benefits; however, days in which the cash benefit is used do not count toward satisfying the elimination period for reimbursement benefits

Having the flexibility to receive policy benefits in cash allows your clients to manage their care options and control how they spend their policy benefits. And that's something they may not find from every other company.

Sales Idea:

Provide Added Value with Care Coordination

A fall. A broken hip. That's all it takes to leave families scrambling to ensure an elderly parent gets the care he or she needs. It's a highly emotional time. There are a lot of options to consider and immediate decisions to make. Unfortunately, most people don't know where to turn for help.

Both MutualCare® Secure Solution and MutualCare® Custom Solution policies contain a care coordination benefit designed to help your clients and their families assess long-term care needs and arrange for services. There's no elimination period to satisfy, which gives the insured immediate access to the services of a care coordinator – typically a registered nurse.

Here's How it Works:

- To request the services of a care coordinator, the insured or a family member calls the toll-free telephone number on the policy
- A care coordinator is assigned and that person calls the insured to assess the need, develop a personalized plan of care and assist in obtaining the services and facilities outlined in the plan of care
- The care coordinator continues to monitor the insured's progress and quality of care received

Use of a care coordinator is not required; however, some additional stay-at-home benefits of the policy, such as caregiver training, durable medical equipment, home modifications and medical alert systems are available only when a care coordinator is used. In addition, use of a care coordinator gives the insured access to the alternate care benefit of the policy.

Sales Idea:

Share the Good News about Shared Care

Partners share everything else, so why not share LTCi benefits? Adding the optional Shared Care Benefit to their policies means if either partner exhausts the benefits of one policy, he or she can access benefits under the other policy.

Here's How it Works:

- The Shared Care Benefit is available only when both partners apply for coverage at the same time and identical policies and benefits are issued
- Once benefits have been exhausted under one policy, the partner needing care can access benefits from the other policy until a maximum of 12 times the current maximum monthly benefit remains
- If one partner dies while both policies are in force, the surviving partner receives the deceased partner's remaining policy limit with no effect on premium. If an inflation option was added, the amount will inflate accordingly
- Shared Care is available on both MutualCare® Secure Solution and MutualCare® Custom Solution policies

If your prospective clients are concerned about what will happen if they use all their LTCi benefits but still need care, be sure to share the good news about Shared Care. This optional rider provides peace of mind for people who may be wondering what they'll do if their benefits run out.

Sales Idea:

Provide Security for an Uninsured Partner

When couples decide they need LTCi coverage, they're not happy to hear that one partner might not qualify. Often, instead of going ahead and purchasing a policy for the insurable partner, they decide to try their luck with another insurance company, hoping they both will be accepted.

Policies in the MutualCare® Solutions portfolio contain a unique optional rider specifically designed to address this situation. When added to the policy of the insurable partner, the Security Benefit provides additional funds that can be used to pay for care or living expenses for the uninsured partner. And that adds a measure of security for a couple facing a difficult situation.

Here's How it Works:

- If the insured partner needs long-term care services and is unable to care for the uninsured partner, the Security Benefit will make additional funds available – up to an additional 60 percent of the policy's monthly reimbursement benefit
- The money can be used to pay for any services or living expenses the uninsured partner might need
- There's no medical underwriting required for the uninsured partner
- Benefits paid to the policyholder under the Security Benefit rider do not reduce the policy limit
- If the uninsured partner should die, the Security Benefit can be removed from the policy to reduce the premium
- The Security Benefit is available on both MutualCare® Secure Solution and MutualCare® Custom Solutions policies

When you determine one partner may not be eligible for coverage, use the Security Benefit to help save the sale.



Sales Idea:

Get Maximum Benefits for Professional Home Health Care

If staying at home is your client's top priority, here's a way to ensure the policy provides maximum benefits for home health care. The Professional Home Health Care rider, available only on a MutualCare® Custom Solution policy, makes additional funds available for long-term care services provided by a nurse or skilled health-care professional. These extra funds allow your client the ability to get the level of care needed, even if it exceeds the policy's maximum monthly benefit.

Here's How it Works:

- If the cost for professional home health care services exceeds the policy's home health care maximum monthly benefit in any given month, the Professional Home Health Care rider provides up to an additional 100 percent of the home health care maximum monthly benefit
- Professional home health care is defined as services provided by a nurse or other skilled professional specializing in physical, respiratory, occupational or speech therapy, audiology, nutrition or chemotherapy administration (additional funds for services provided by a nurse are limited to 356 days over the life of the policy)

For Example:

- Your client purchases a MutualCare® Custom Solution policy with a \$3,000 maximum monthly benefit and adds the optional Professional Home Health Care rider
- After satisfying the policy's elimination period, the insured begins receiving policy benefits. However, for the first few months, the cost for the care needed exceeds the policy's \$3,000 maximum monthly benefit
- In this case, the Professional Home Health Care rider provides up to an additional 100 percent of the home health care maximum monthly benefit. That gives your client access to up to \$6,000 per month to help pay for professional home health care services

The Professional Home Health Care rider is perfect for people who intend to remain at home as long as possible. Use it to help ensure your clients get maximum benefits from their LTCi policy.

➤ Use Product Features to Solve a Problem

Sales Idea:

Use Inflation Protection to Reach a Desired Premium

If your client has a number in mind – a monthly amount he feels he can afford to spend on his long-term care insurance policy – inflation protection can help you reach that desired premium.

A MutualCare® Custom Solution policy gives you a variety of inflation protection options that allow you to easily make adjustments in order to arrive at an acceptable premium amount.

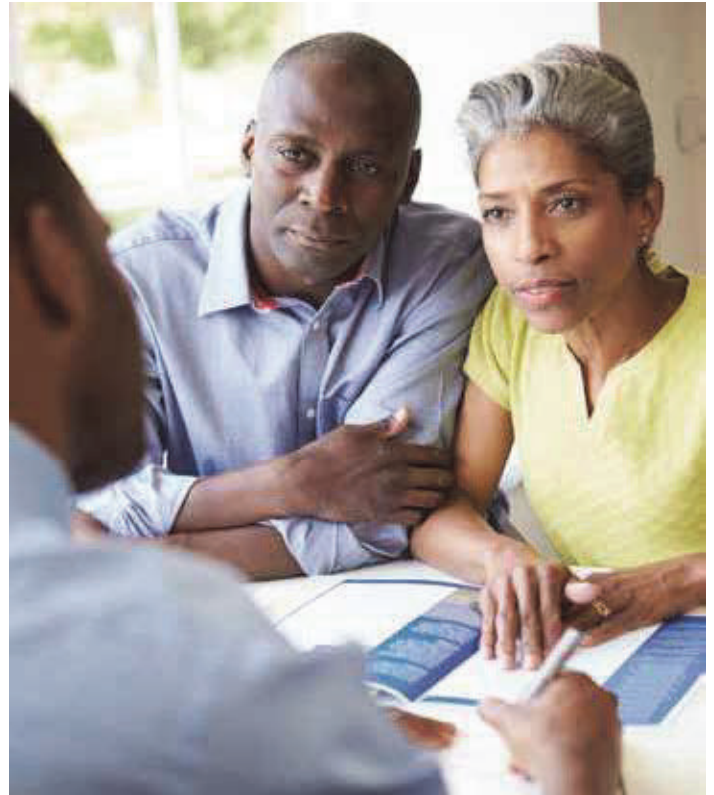
Adjusting the inflation duration and inflation percentage gives you the ability to meet needs and budget requirements of any client.

Inflation Durations	Inflation Percentages
10-year	1 to 5 percent compound in increments of .25 percent
15-year	
20-year	Includes a guaranteed buy-up option
Lifetime	

Three Inflation Protection Strategies

Let's assume your client feels he can afford to spend \$200 per month on his long-term care insurance premium. Using a MutualCare® Custom Solution policy, here are three different inflation protection strategies that allow you to reach the desired premium:

	No Growth No Inflation Protection		Moderate Growth 15-Year · 1.5% Compound		Rapid Growth Lifetime · 3% Compound	
	Monthly Benefit	Policy Limit	Monthly Benefit	Policy Limit	Monthly Benefit	Policy Limit
Today	\$7,600	\$500,000	\$6,500	\$400,000	\$3,900	\$270,000
In 30 Years	\$7,600	\$500,000	\$8,126	\$500,093	\$9,468	\$655,361



Sales Idea:

Discuss the Beauty of the Buy-Up Option

A MutualCare® Custom Solution policy includes an inflation protection buy-up option that allows your clients to increase their inflation protection percentage once each year or decrease the inflation percentage at any time.

Here's How it Works:

- The buy-up option is only available on a MutualCare® Custom Solution policy
- Each year, on or before the policy anniversary date, the insured can choose to increase his or her compound inflation protection to any percentage we offer. The insured must elect this option in writing
- The total level of inflation protection cannot exceed 5 percent
- The premium for the policy is based on the insured's age at the time of the buy up; however, actual premium will include a premium credit based on type of coverage and how long the policy has been in force
- The increase is effective on the policy anniversary following the election with benefit increases occurring on the following anniversary
- The increase is available prior to the lesser of 20 years or age 75
- The insured also has the option to buy down to a lower inflation percentage at any time while keeping any gains previously applied to the policy

For Example:

At age 55, your client purchases a MutualCare® Custom Solution policy with 1 percent inflation protection. At age 58, he decides to increase the inflation percentage to 2.5 percent. He exercises that option again at age 61, increasing to 3.5 percent. Then at age 80, he chooses to buy down to the initial 1 percent.

The beauty of the buy-up option is that it gives your client the flexibility to adjust policy benefits as needs change over time.

Learn More

You'll find complete details about product features and benefits in the MutualCare® Solutions Product & Underwriting Guide (M28379).

Get cost-of-care information by state in Mutual of Omaha's Cost-of-Care booklet (M26548).

Learn why people buy LTCi and why they don't. You'll find the results of Mutual of Omaha's consumer research study in our Hearts & Minds brochure (M28080).

Get complete details about partnership programs in the Partnership Overview & Training Requirements Guide on Sales Professional Access (M28108).



At Age:	55	58	61	80
Inflation Percentage:	1% initial	2.5% after buy-up	3.5% after buy-up	1% after buy-down; any gains previously applied to the policy are retained
Premium for Inflation Protection Rider Calculated:	Based on issue age 55	Based on age at the time of the buy up, but includes a premium credit based on type of coverage and how long the policy has been in force		Based on issue age 55

MutualCare[®] Solutions

Long-Term Care Insurance



SALES & MARKETING PROCESS

1.

With You Every Step of the Way



From prospecting to policy delivery and every step in between...we provide sales and marketing materials that will lead you to the ultimate destination – an LTCi sale.

We help you:

1. Find people to talk to
2. Uncover the problem
3. Provide the solution
4. Complete the application
5. Deliver the policy

Our sales and marketing materials were created based on extensive market research conducted with LTCi buyers and non-buyers. Throw in an award winning creative team and you've got tools guaranteed to capture the attention of prospective clients and win you the sale.

STEP 1: FIND PEOPLE TO TALK TO

In talking with people who didn't own LTCi, we learned many were intrigued. They understood why they might need a policy, and wondered why no one had approached them about it. That tells us people expect to be contacted by an insurance agent. Yet in a survey of LTCi policyholders, less than one in 100 said they first learned about LTCi from an agent.

The Typical Buyer

Based on a survey of our LTCi policyholders, we found the typical buyer to be:

- ▶ Female, Caucasian; age 55 to 64
- ▶ Married with adult children
- ▶ College educated
- ▶ Working in a white-collar profession; not yet retired
- ▶ Living in a metropolitan area
- ▶ A homeowner with 11 or more years in the current residence
- ▶ Affluent; upper middle class with a household income of \$100,000 or more
- ▶ A "planner" who is interested in financial issues; owns life insurance and other conservative investment products
- ▶ Family oriented
- ▶ Familiar with LTC issues; knows someone (a family member or friend) who needed LTC services
- ▶ Research oriented; an online user; self-educated about LTCi
- ▶ Generally skeptical of financial advisors and insurance companies

Good Places to Find Prospective Clients

- ▶ **Current clients** – You already have a built-in pool of prospective clients. Just search your current client base for people who fit the profile of the typical LTCi buyer
- ▶ **Centers of influence** – Partner with accountants and attorneys in your area. This mutually beneficial arrangement allows them to recommend you to their clients. And in turn, you recommend these professionals to your clients who may need legal or accounting services
- ▶ **Civic organizations** – Join your local civic organizations and make yourself known to the members of your community. Offer your services as a speaker at an upcoming meeting
- ▶ **Associations** – Don't forget about the associations to which you belong. As members of the same association, you share an affinity with other members. Place ads in association newsletters and offer to speak to the membership on this important topic
- ▶ **Referrals** – Don't forget to ask everyone you talk to – family members, friends, neighbors, clients – if they know someone who could benefit from the service you provide

Marketing Tools

Our prospecting materials are designed to help you generate interest and find the right people to talk to.



MutualCare Solutions Prospecting Letter

Use this letter to pique interest in LTCi and find interested individuals who are willing to meet with you.



MutualCare Solutions Self-Mailer

Use this self-mailer to motivate people to contact you to learn more about LTCi.



TIP: The easiest place to start is with your own clients. These people already know you, trust you and value your recommendations. And that means they're the ones who will be most receptive to talking with you.

STEP 2: UNCOVER THE PROBLEM

Before you can offer a solution, you need to know the problem. In other words, what's keeping your prospective clients up at night? Find out if they are most concerned about protecting:

Their Family

In a survey of LTCi policyholders, over half of the people we talked to said they bought a policy because they'd been a caregiver for someone with a chronic illness or disability. This experience left them determined not to let that happen to their family. The last thing they want is for their kids to have to take care of them.

Their Ability to Stay at Home

Many people equate long-term care with a nursing home. And that's someplace they simply don't want to end up. People who purchased LTCi told us they did so to ensure they'd have the option

to receive care at home. And they felt this would allow them to maintain their personal dignity and independence.

Their Retirement Nest Egg

Let's face it. LTC services are expensive. And most people simply can't afford to pay for services out of their own pockets. Even if they have sufficient assets, those assets may not be easily accessible or they may be allocated for other things. Our policyholder survey revealed the primary reason people purchased an LTCi policy was to protect the assets they've worked a lifetime to accumulate.

Marketing Tools

We've developed needs-based materials specifically to help you uncover the problem and discuss the need for LTCi.



MutualCare Solutions Needs Brochure

Use this brochure to begin the conversation and learn what matters most to your prospective clients.



MutualCare Solutions Needs Insert-Family

Use this flyer to follow up with people who are most concerned about protecting their family.



MutualCare Solutions Needs Insert-Home

Use this flyer to follow up with people who are most concerned about remaining in their home as long as possible.



MutualCare Solutions Needs Insert-Nest Egg

Use this flyer to follow up with people who are most concerned about protecting their retirement assets.



Consumer Presentation

Use this short PowerPoint presentation to help explain the need for LTCi.



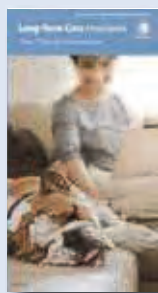
TIP: Don't jump to the solution without first uncovering the problem.

STEP 3: PRESENT THE SOLUTION

Now that you've identified the problem, it's time to show prospective clients how LTCi can help provide a solution. Our research revealed that most people don't know a lot about it. They want an agent who can provide the education they're looking for – not someone who simply wants to sell them a policy. But education doesn't mean they want to be deluged with policy details and product features. Instead, they want to know how an LTCi policy will help solve their problem and be assured they're making the right decision.

Marketing Tools

Our educational materials were carefully developed to provide the explanation people want and need. These pieces show how LTCi works and describe product features so your clients can select an appropriate policy – with your help, of course.



MutualCare Solutions Educational Brochure

Use this brochure to educate prospective clients on how an LTCi policy works.



MutualCare Solutions Secure Solution Product Brochure

Use this brochure to provide details of the MutualCare® Secure Solution product and help prospects make appropriate policy selections.



MutualCare Solutions Custom Solution Product Brochure

Use this brochure to provide details of the MutualCare® Custom Solution product and help prospects make appropriate policy selections.



TIP: Most people think LTCi is confusing. So spend time educating prospective clients on how it may be a solution to their problem.

STEP 4: COMPLETE THE APPLICATION

Once your prospective client understands how an LTCi policy will help solve his or her problem and has made the decision to buy, it's time to start the application process.

Field Underwriting

The MutualCare® Solutions Product & Underwriting Guide (M28379) contains information to help you determine whether or not your clients may be insurable. Familiarizing yourself with this information will allow you to do a thorough job of field underwriting.

- ▶ Eligibility guidelines
- ▶ Build chart
- ▶ Uninsurable health conditions and associated medications
- ▶ Medical impairments

Tips for Completing the Application

- ▶ Use the correct application and forms. Remember you must use the application for the client's state of residence
- ▶ Answer all questions and complete all necessary forms. If something doesn't apply, do not use N/A. Instead, write "no" or "none"
- ▶ If a question is answered in error, do not use white out. Instead, draw a single line through the error and have the applicant initial the correction
- ▶ Include a cover letter. The more you can tell us about the client, the greater the chance for a favorable underwriting outcome
- ▶ Indicate the best time to contact the applicant for the personal health interview
- ▶ Include your contact information so we can reach you if we have questions or need more information

Marketing Tools

Our point-of-sale materials are easy to use. The application and all required forms are located together in the app pack for the state you select. We also provide a handy flyer to help you explain the underwriting process so your clients know what to expect after they sign on the dotted line.



MutualCare® Solutions Application

Use this application for two applicants who are applying at the same time. Be sure it is completed accurately and thoroughly to reduce delays and ensure the policy can be issued as soon as possible.



Next Steps Brochure

Use this brochure to help clients understand what happens next. Walk them through the underwriting process and help them prepare for the health interview.



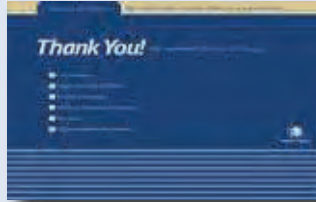
TIP: Don't forget to give every applicant the required Outline of Coverage and Shopper's Guide.

STEP 5: DELIVER THE POLICY

Delivering the policy helps you cement the sale and build long-term client relationships. Use this opportunity to remind your clients how an LTCi policy can help provide a solution to their problem.

Marketing Tools

Our policy delivery jacket is intended to allow you to put together a professional looking packet to leave with your new client.



Policy Jacket

Use this policy jacket to house all pertinent information, such as a cover letter, your business card and notes on how the policy fills the client's need.



TIP: Policy delivery is a perfect time to remind clients of the value you provide and ask for referrals.

How to Get Marketing Tools

We've created a variety of marketing tools – brochures, flyers, letters and more – to support your efforts through every step of the LTCi sales process. You can order the materials you need through your normal ordering channel.

Questions

If you have questions about steps in the sales process or any of the marketing tools available, contact your Sales Support team. They're available Monday through Friday from 7:30 a.m. to 5:30 p.m. (Central time).

sales.support@mutualofomaha.com.

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Providing All the Tools for Your Successsm

Pinney Insurance

Founded in 1972 as a Transamerica branch office and later incorporated as Pinney Insurance Center, Inc., we are headquartered in our own building in Roseville, California. We provide a small local agency feel with the power of a major national firm.



Pinney has expanded into a national distributor with thousands of contracted agents and offices in California, Illinois, Maryland, North Carolina, Oklahoma, Pennsylvania, Texas, Washington, and Mississippi. Pinney represents over 100 life, annuity, disability, and long-term care companies with the intent of providing our clients & partners with the best possible product solutions at the lowest possible costs. Email [Brokerage Sales Support](#) or contact one of our Brokerage Directors today at 800-823-4852.

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