

Past Lessons Propel Today's LTCi Solutions Market Forward

**Larry Moore – RVP
National Guardian Life**



The need to plan is greater than ever

Individuals with personal experience have a “proactive” desire to plan.



Misconceptions about Medicare and Medicaid still exist



Recognition that an LTC event can lead to irrevocable financial impacts

Aversion to institutionalized care – home care remains top choice



Disconnect remains about financial and emotional consequences of not planning



What consumers and their families desire



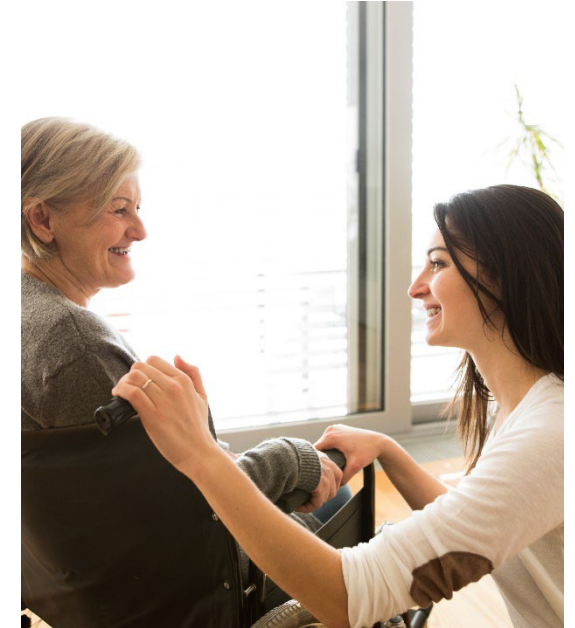
Mitigate and better contain the financial impact of an LTC event



Avoid becoming a physical and emotional burden to spouse, children and grandchildren



Risk management solutions to redirect risk away from savings and investments (aka portfolio insurance)



Solutions aimed at maximizing one's ability to remain at home

The LTC Solutions Market is strong and expansive

The industry is poised for new, predictable and stable growth

- More product solutions available now than ever before – benefit to consumers and distribution
- Underwriting refinements support and reinforce long-term market stability
- Asset-based LTCi solutions occupy a crowded and competitive niche
- Traditional LTCi carriers have stabilized, recovered and are regaining lost ground
 - New entrants without legacy business enjoy unique upside
 - New pricing and risk assumptions have stabilized the traditional market



**Products vary
in their
complexity
and efficiency**

It's not as simple as shopping
for prices and benefits

From simple and cost-efficient to multi-functional and less cost-efficient:

Short-term care

Traditional LTCi

**LTCi life and
annuity hybrids**

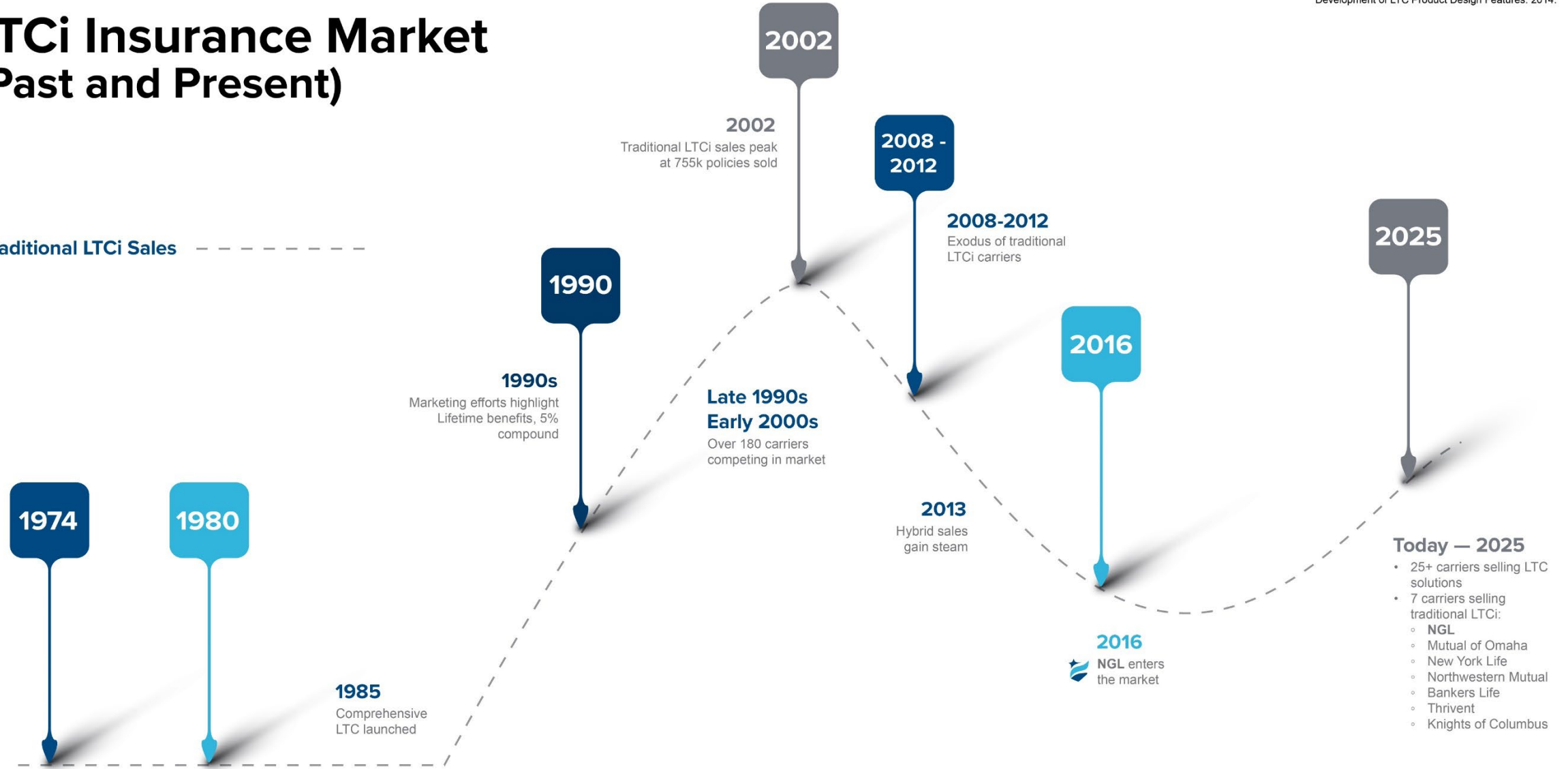


Let's explore

- The Great Learning Curve

LTCi Insurance Market (Past and Present)

Traditional LTCi Sales -----



1974

LTCi born as NH-only coverage from Fireman's Fund Ins. Co

1980s

- AMEX Life, CNA
- Mutual of Omaha
- Travelers
- First Penn Pacific
- Pacific Life
- John Hancock
- MetLife
- American Travelers
- AEGON
- Bankers United
- PFL
- Bankers Life
- Pioneer Life
- PFL
- Penn Treaty
- Golden Rule

So, what happened and what has changed?



Fear of traditional LTCi instability is *emotionally* rooted in the past. **It's not reflective of today's reality.**

Persistency (aka lapse rates)

Products now priced using actual persistency experience rather than guesswork. NGL assumes a 0% lapse rate.

Lower than expected investment income

Carriers factoring in low-interest rate environments as the norm.

Morbidity higher than expected

Carriers now enjoy 50 years of industry morbidity tables for LTCi pricing.

Risk/return tradeoff

No more “business decisions” that cloud the risk pool. Advancements in morbidity underwriting.

Why traditional LTCi?



- Traditional long-term care insurance provides the most value and greatest leverage with tax-efficient dollars

- Asset-based solutions have saturated a competitive niche
 - What about clients who don't want to reposition investable capital? What if they don't want a multi-functional life insurance product?

- NGL is the beneficiary of the LTCi learning curve
 - The industry is poised for new, predictable and stable growth



Let's explore

- NGL's Latest Product Evolution

Carriers required to list rate -increase history

Long Term Care Insurance Personal Worksheet

People buy long term care insurance for many reasons. Some don't want to use their own assets to pay for long term care. Some buy insurance to make sure they can choose the type of care they get. Others don't want their family to have to pay for care or don't want to go on Medicaid, but long term care insurance may be expensive and may not be right for everyone.

By state law, the insurance company must fill out part of the information on this worksheet and ask you to fill out the rest to help you and the company decide if you should buy this policy.

Premium Information

Policy Form Number: _____

The premium for the coverage you are considering will be \$ _____ per _____ or a one-time single premium of \$ _____.

Type of Policy: Guaranteed Renewable

The Company's Right To Increase Premiums

The Company has a right to increase premiums on this policy form in the future, provided it raises rates for all policies in the same class in this state.

Rate Increase History

The company has sold long term care insurance since 2016 and has sold this policy since 2016. The company has never raised its rates for any long term care policy it has sold in this state or any other state.

Questions Related To Your Income

How will you pay each year's premium?

- From my income From my Savings/Investments My family will pay

NGL's LTCi Planning Solution

Unique features:

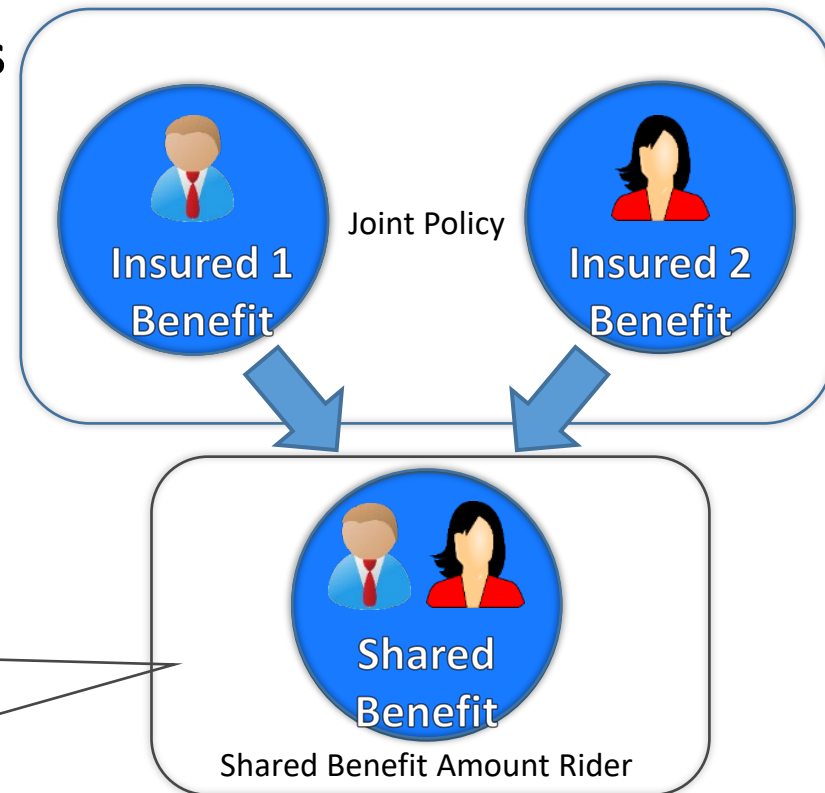
- *Joint Policy*
 - One premium for both
 - Built-in Spousal Waiver of Premium
 - Reduced premium for surviving spouse
- *Shared Benefit Amount Rider*
 - Separate 3rd benefit pool



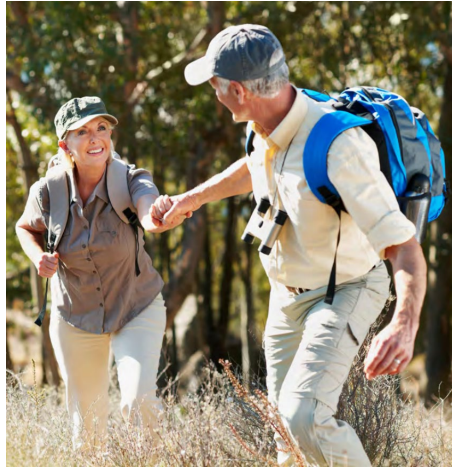
A Policy Structure with Couples in Mind

Joint Product for Couples and Sharing Benefits

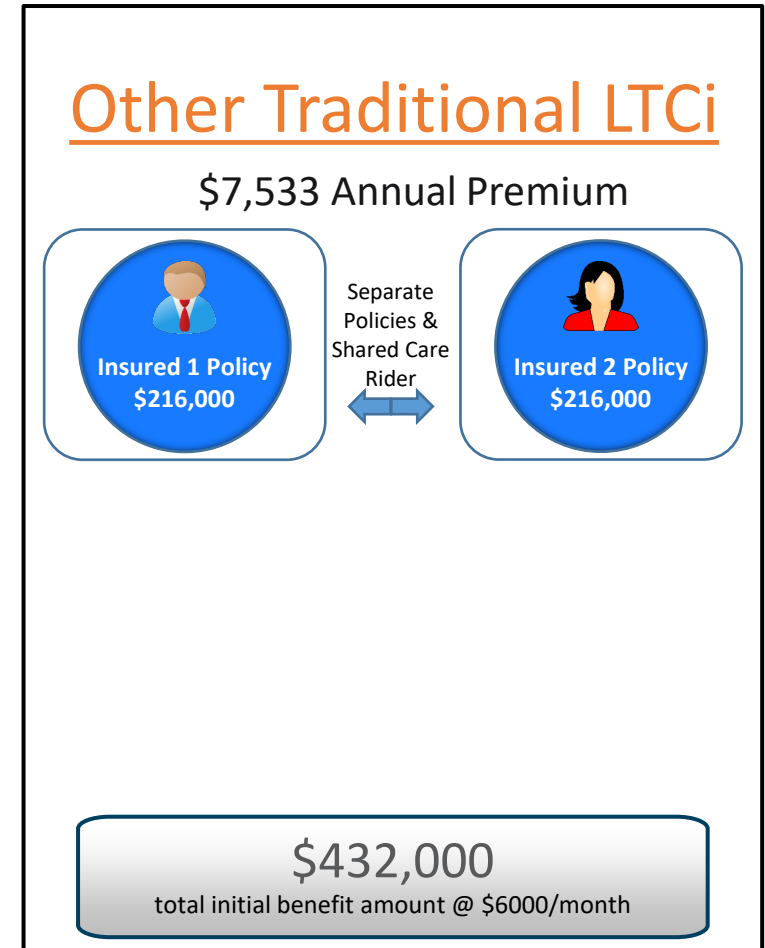
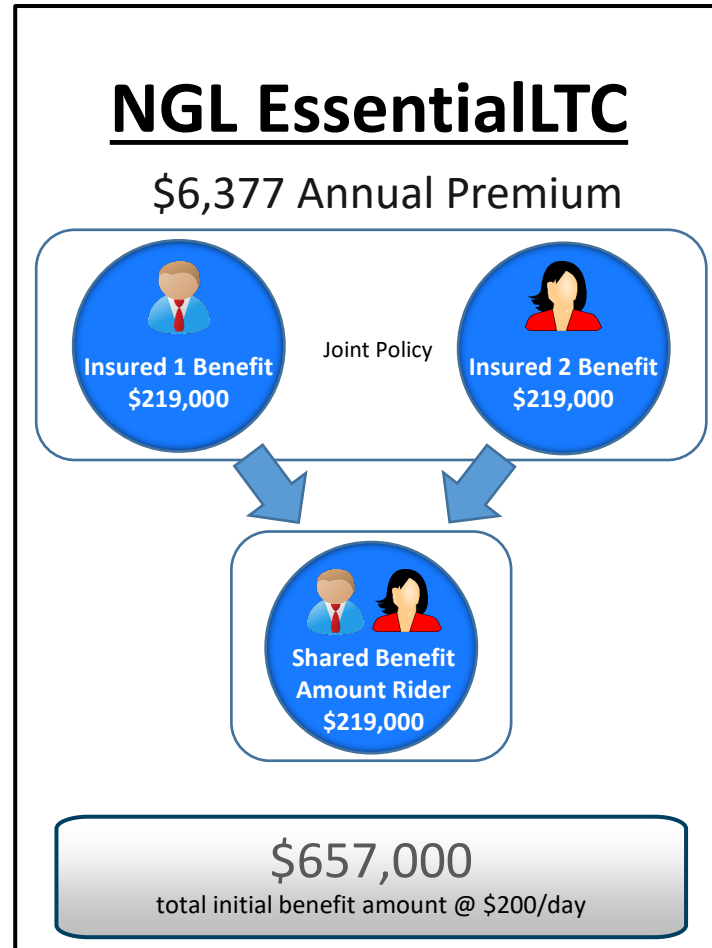
- *Joint Coverage*
- *Shared Benefit Amount Rider*
 - *Separate 3rd benefit pool*
 - *Means more benefit \$\$s*



Competitive Scenario



55-year-old couple



Generic state, \$200 Daily Benefit Amount for NGL, \$6,000 Monthly Benefit Amount for "Other," 3-Year Benefit Period, Shared Benefits, 3% Compound Inflation Protection Rider, Most Common Rate Class "Other Traditional LTCi" information sourced from competitive carrier's illustration program 02/19/2021

Introducing

 **HonestLTC**



What you need to know!

First Wave Launch on TBA in 38 States

- AK, AL, AR, AZ, GA, HI, IA, ID, KS, KY, LA, MD, ME, MI, MN, MO, MS, NC, NE, NH, NM, NV, OH, OK, OR, PA, TN, TX, UT, VT, WA, WI, WV, and WY.

HonestLTC Exchange Program:

- For existing NGL policyholders with app dates of 5/1/25 and beyond
- 60-day offer to exchange ELTC to HLTC
- No underwriting required
- At Current ACTUAL AGE
- PDF Fillable or Paper HLTC App required

HonestLTC

NGL's new LTC solution keeps the best elements of the existing product...

- Joint pricing for couples
 - Built-in joint waiver of premium
- Shared benefit amount rider (third pool)
 - Spousal survival benefit
- 10-pay option
- Benefit periods of 2, 3, 4, 5 and 6 years
- Elimination periods of 90 and 180 days
- First-Day Home & Community Care Rider





While adding enhanced value for the customer without sticker-shock

- Maximized “stay-at-home” insurance
 - Monthly benefits of \$1,500 to \$12,000 (\$300 increments) → **MONTHLY BENEFITS!**
 - Calendar day elimination period → **CALENDAR DAY EP!**
 - Opens new market with 180-day EP
- Increased customization reaches more clients
 - Compound inflation options of 1%, 2%, 3%, 4% and 5% (lifetime) → **EXPANDED INFLATION OPTIONS!**
 - Leverages the “spirit” of the partnership program in many states
- More client-friendly benefits
 - 5% partner discount for individual cases
 - Age based on “age last” rather than “age nearest”
 - Alternate plan of care

NGL's Superior LTC Leveraging... For Joint Couples

State: NE

Joint, 3 Years, 90-day EP, \$4,500/mo, 3% Compound, Shared Benefit Amount Rider or Shared Care

Underwriting Class - Premier, Select, Standard

AGES	NGL LTC		MOO Secure Solution		Thrivent	
	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	4,294	486,000	5,026	324,000	4,590	324,000
55	5,070	486,000	5,649	324,000	5,395	324,000
60	5,785	486,000	6,567	324,000	6,163	324,000
65	7,411	486,000	8,151	324,000	8,026	324,000
70	9,326	486,000	10,441	324,000	9,821	324,000
75	13,062	486,000	14,637	324,000	14,156	324,000

Lowest Premium

For Joint Couples...

State: NE

Joint, 3 Years, 90-day EP, \$4,500/mo, 3% Compound, Shared Benefit Amount Rider or Shared Care, 0-DAY EP for HHC Rider

Underwriting Class - Premier, Select, Standard

AGES	NGL LTC		MOO Secure Solution		Thrivent	
	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	4,724	486,000	5,780	324,000	4,911	324,000
55	5,577	486,000	6,497	324,000	5,772	324,000
60	6,363	486,000	7,552	324,000	6,594	324,000
65	8,152	486,000	9,373	324,000	8,588	324,000
70	10,258	486,000	12,007	324,000	10,508	324,000
75	14,368	486,000	16,832	324,000	15,147	324,000

Lowest Premium

For Joint Couples...

State: NE

Joint, 5 Years, 90-day EP, \$4,500/mo, 3% Compound

Underwriting Class - Premier, Select, Standard

AGES	NGL LTC		MOO Secure Solution		Thrivent	
	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	4,431	540,000	5,940	540,000	4,853	540,000
55	5,231	540,000	6,601	540,000	5,687	540,000
60	5,969	540,000	7,606	540,000	6,495	540,000
65	7,647	540,000	9,342	540,000	8,439	540,000
70	9,622	540,000	11,828	540,000	10,319	540,000
75	13,476	540,000	16,428	540,000	15,042	540,000

Lowest Premium

NGL's Superior LTC Leveraging...

For Women Applying Individually

State: NE

Single Female, 3 Years, 90-day EP, \$6k/mo, 3% Compound

Underwriting Class - Premier, Select, Standard

AGE	NGL LTC		MOO Secure Solution		Thrivent	
	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	3,635	216,000	4,239	216,000	3,839	216,000
55	4,292	216,000	4,788	216,000	4,493	216,000
60	4,897	216,000	5,594	216,000	5,157	216,000
65	6,274	216,000	6,898	216,000	6,732	216,000
70	7,895	216,000	8,723	216,000	8,244	216,000
75	11,058	216,000	12,728	216,000	11,790	216,000

Lowest Premium

For Women Applying Individually

State: NE

Single Female, 3 Years, 90-day EP, \$6k/mo, 3% Compound, 0-DAY EP for HHC Rider

Underwriting Class - Premier, Select, Standard

	NGL LTC		MOO Secure Solution		Thrivent	
AGE	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	3,999	216,000	4,875	216,000	4,108	216,000
55	4,721	216,000	5,506	216,000	4,807	216,000
60	5,387	216,000	6,433	216,000	5,518	216,000
65	6,902	216,000	7,933	216,000	7,203	216,000
70	8,684	216,000	10,031	216,000	8,822	216,000
75	12,163	216,000	14,638	216,000	12,615	216,000

Lowest Premium

For Women Applying Individually

State: NE

Single Female, 5 Years, 90-day EP, \$5k/mo*, 3% Compound

Underwriting Class - Premier, Select, Standard

AGE	NGL LTC		MOO Secure Solution		Thrivent	
	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	4,017	306,000	4,937	300,000	4,292	300,000
55	4,743	306,000	5,564	300,000	5,050	300,000
60	5,411	306,000	6,454	300,000	5,764	300,000
65	6,933	306,000	7,905	300,000	7,457	300,000
70	8,723	306,000	9,843	300,000	9,135	300,000
75	12,219	306,000	14,045	300,000	13,271	300,000

Lowest Premium

*Due to NGL policy structure, NGL quoted at \$5,100/mo

NGL's Excellent Leveraging...

For Men Applying Individually

State: NE

Single Male, 3 Years, 90-day EP, \$6k/mo, 3% Compound

Underwriting Class - Premier, Select, Standard

AGE	NGL LTC		MOO Secure Solution		Thrivent	
	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	2,206	216,000	2,558	216,000	2,280	216,000
55	2,601	216,000	2,851	216,000	2,700	216,000
60	2,964	216,000	3,286	216,000	3,060	216,000
65	3,837	216,000	4,123	216,000	3,969	216,000
70	4,879	216,000	5,396	216,000	4,850	216,000
75	7,450	216,000	7,064	216,000	7,085	216,000

Lowest Premium

For Men Applying Individually

State: NE

Single Male, 3 Years, 90-day EP, \$6k/mo, 3% Compound, 0-DAY EP for HHC Rider

Underwriting Class - Premier, Select, Standard

AGE	NGL LTC		MOO Secure Solution		Thrivent	
	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	2,426	216,000	2,942	216,000	2,440	216,000
55	2,861	216,000	3,279	216,000	2,889	216,000
60	3,260	216,000	3,779	216,000	3,274	216,000
65	4,221	216,000	4,742	216,000	4,247	216,000
70	5,367	216,000	6,205	216,000	5,189	216,000
75	8,195	216,000	8,124	216,000	7,581	216,000

Lowest Premium

For Men Applying Individually

State: NE

Single Male, 5 Years, 90-day EP, \$5k/mo*, 3% Compound

Underwriting Class - Premier, Select, Standard

AGE	NGL LTC		MOO Secure Solution		Thrivent	
	Premium	Lifetime Max	Premium	Lifetime Max	Premium	Lifetime Max
50	2,437	306,000	2,827	300,000	2,448	300,000
55	2,874	306,000	3,065	300,000	2,848	300,000
60	3,275	306,000	3,488	300,000	3,256	300,000
65	4,240	306,000	4,306	300,000	4,263	300,000
70	5,392	306,000	5,619	300,000	5,197	300,000
75	8,232	306,000	7,429	300,000	7,620	300,000

Lowest Premium

*Due to NGL policy structure, NGL quoted at \$5,100/mo



Larry Moore

206-321-7737

ljmoore@nglic.com

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