

# Executive LTC Benefit

---

## Getting Savvy About Retirement Security

# LTC—A Critical Element of Estate Planning

---



- Protect Wealth
- Manage Risk
- Minimize Taxes

# Protecting Wealth



- The average hourly rate for Home Health Aides provided by a home care agency is \$19 per hour.\*
- The average daily cost for a private room in a skilled nursing facility is \$203. This cost averages \$74,095 per year.

\*The MetLife Market Survey of Nursing Home & Home Care Costs, MetLife Mature Market Institute, September 2005`

# Managing the Risk

---

- Nursing homes—the last resort
- Boomers will demand personalized care at a time when our healthcare system is strained
- Planning ahead insures that you maintain control

# Customizing a Plan

---



- Maximum Benefits
- Compound Inflation
- Benefits for Home or High-end Assisted Living Facility

# Minimize Taxes

---



- Premium may be deducted as business expense
- Benefits not taxed
- Premium may be returned as an death benefit to heirs or to estate

\*Always refer to your tax advisor. This is not to be construed as tax advice.

# Advantages to Business Owners

---

- Reduce taxable income of business
- Ability to ‘carve-out’ executive, spouse and selected key employees only
- Individual plans that allow employee to “buy up”, if desired
- Pay premium during working years with Single-Pay, 10-pay, or Pay-to-Age 65

# Advantages to Key Employee

---

- Premiums do not count as income and are therefore non-taxable
- Benefits tax-free
- Retire with paid-up benefit that continues to grow at 5% compounded rate

\*Always refer to your tax advisor. This is not to be construed as tax advice.