

The DOs and DON'Ts of LTCi

13 Reasons People Do and Don't Buy LTCi

Here's a fact for those prospects thinking about self-insuring to consider: Consumers who lost 30 to 50 percent of their net worth disappear during the recent economic downturn have seen just a sampling of what they would experience if they ever needed long-term care and had to pay for themselves.

This isn't to try and scare anyone. It's just reality. With the nationwide average for a one-year nursing home stay topping \$77,480 annually, it wouldn't take long to exhaust most peoples' savings. Bottom line: with many peoples' nest eggs having been miniaturized this last year, self-funding a long-term care stay has become all the more improbable.

But while the need for long-term care insurance keeps rising, sales have not kept pace. Why? In order to sell, you need to understand why people are and are not buying LTCi in this environment.

Why DON'T People Buy?

1. Consumers are in denial about their need for insurance. Many either don't want to think about their need for coverage or think they're already covered through programs like Medicare.
2. Consumers don't know about the need or the available solutions.
3. Purchase decision can be difficult due to policy complexities.
4. Perceived high premiums and concerns about company stability in the marketplace.
5. Some individuals are uninsurable.
6. Many would-be buyers worry about paying into a policy for years and then dying without ever making a claim.

How can you overcome these obstacles? While there's not a lot you can do about No. 5, the others shouldn't stand your way. Through a combination of education, understanding your clients and presenting the right product to fit their needs, you can watch your closing ratio soar.

Seven reasons people DO buy LTCi

1. **They acknowledge they're getting older and want to be prepared in case they need help.** These people want to maintain their independence as long as possible. They don't want their kids taking care of them or making decisions for them. And they certainly don't want to spend their life savings on long-term care.

2. They want to stay at home as long as they can.

No one wants to think about ending up in a nursing home.

3. They've seen what happens to people who don't have it.

The overwhelming majority of LTCi policyholders (some say as high as 80 percent) know someone—either a friend or a family member—who needed long-term care services. Watching those people struggle financially made enough of an impression on them that they decided to protect themselves.

4. They don't want their kids taking care of them.

Nobody wants to become a burden on their own family.

5. They don't want to spend their life savings on LTC services.

These people understand that LTC services are expensive and don't want to risk spending down their entire savings paying for them.

6. They want to leave an inheritance to their kids.

LTCi can help shield their assets.

7. They know it's the smart thing to do.

Many people simply view LTCi like other types of insurance. Just as they have homeowner's insurance to protect them against a catastrophic financial loss in the event of a fire, they have LTCi to protect them from catastrophic financial loss when they need long-term care.

Call 1-888-456-8884 for answers to all your LTCi questions. Or visit www.LTCforAgents.com for the latest product information and training.