WHICH LONG-TERM CARE STRATEGY FITS YOUR RETIREMENT & LEGACY PLAN?

TRADITIONAL LTC VS. HYBRID POLICIES VS. SELF-FUNDING

Long-term care planning can have a meaningful impact on your overall financial picture. A well-considered strategy helps balance potential care expenses with your retirement goals, estate planning objectives, and desire for financial flexibility. There isn't a single "best" solution. Understanding the strengths and differences of each approach can help you make a more informed decision.

Consideration	Traditional Long-Term Care Insurance	Hybrid Life Insurance + LTC	Self-Funding
Flexibility	Designed specifically to help cover qualified long-term care expenses. Coverage can often be customized based on your needs.	Offers both life insurance protection and access to long-term care benefits, providing multiple potential uses for the policy.	Complete control over how assets are invested and spent, but all care expenses come directly from personal resources.
Cost Structure	Typically features lower initial premiums than hybrid policies. Depending on the policy and state regulations, premiums may increase over time.	Generally requires a larger upfront investment or higher fixed premiums, offering more predictable funding in many cases.	No insurance premiums, but future care expenses are paid entirely from personal savings and investments.
Legacy Impact	May help preserve retirement assets by covering qualifying care expenses. If benefits are never used, some policies may not provide a return of premiums or death benefit.	If long-term care benefits are not fully used, beneficiaries may receive a death benefit, helping support estate and legacy objectives.	Significant care expenses may reduce the assets ultimately passed to heirs, charitable causes, or future generations.
Liquidity	Premium payments are generally not recoverable, but benefits become available if policy conditions are met.	Assets allocated to the policy may be less accessible for other opportunities or unexpected expenses.	Assets remain liquid and available but may need to be withdrawn during unfavorable market conditions or periods of increased care costs.

Questions to Consider

As you evaluate your options, ask yourself:

- How important is preserving assets for my spouse, family, or charitable goals?
- Would I prefer predictable insurance costs or the flexibility of using my own assets?
- How would an extended care event affect my retirement income plan?
- Do I want my long-term care strategy to also provide a potential legacy benefit?
- How does long-term care planning fit within my broader retirement, estate, and tax planning strategy?

The right long-term care strategy depends on your financial circumstances, family priorities, and long-term objectives. Exploring your options early can help you make informed decisions as part of your overall retirement and legacy plan.

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