



MarketShare Financial

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Our July sales opportunity focuses on providing a couple with a Long-Term Care solution when the majority of their assets are in the name of one individual. One of the many struggles an advisor runs in to is providing adequate coverage for a non-working spouse.

Case Study

Today we are looking at a husband and wife who are approaching retirement. They have been assisting an elderly parent with home health care and are experiencing what many do when caring for an aging parent:

- Physical demand of time
- Financial burden of covering the parent's additional Long-Term care expenses

Realizing the strain this puts on children, they sit down for a financial review with their advisor and ask, "how do we fund nursing home costs if or when something happens to either of us?"

Their advisor had mapped out a retirement income stream for them, but this would be *significantly* impacted should the need for Long-Term care arise in the upcoming 10-15 years.

Discussion

At this point the advisor begins to identify potential assets that can be used in the event of a Long-Term Care need. An old fixed annuity with an approximate account balance of \$200,000 has been earmarked as their "rainy day" fund for Long-Term Care. The concern is that the annuity is in the *husband's name only*.

How do we include his wife so that she can be eligible for coverage?

The perfect solution for this couple is the One America Annuity Care II product:

- They will 1035 exchange the value from the annuity to the new One America product
- The wife will be added as an eligible person to the contract providing *both* with Long-Term care coverage

The \$200,000 deposit will create a Long-Term Care pool of \$439,943 that they can share, resulting in a combined monthly Long-Term Care benefit of \$6,665 for 66 months.

Conclusion

The couple now has a Long-Term care solution if needed. An asset that could be heavily taxed at distribution or death due to significant gain has now been leveraged into a pool of money that will come out *tax-free if used for Long-Term Care*. Be sure to contact your pre-retiree clients and have a discussion regarding their future Long-Term Care needs.

Let us know how we can help in reviewing your next case!

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