

Sales Idea: Monthly Benefit

How to get the most
from an LTCi policy



Most long-term care insurance policies provide coverage for LTC services received at home, in an assisted living facility or in a nursing home. But in addition to these similarities, there are some big differences, including how and when benefits will be paid.

The Need

Your clients purchase a long-term care insurance policy to help them pay for the LTC services they need. And when it comes time to be reimbursed, they rely on their policy to work to their advantage.

Today's Reality

Some insurance companies offer policies based on a **daily** benefit amount. This is the amount the policy will pay each day for covered services.

But, the policies in the MutualCare® Solutions portfolio are based on a **monthly** benefit amount. This gives people greater flexibility to get the care they need without worrying about exceeding a per-day limit. And that can make a world of difference. *(See the example on the reverse side.)*


The Solution

Make sure your clients know that all LTCi policies are not alike. Something as simple as how benefits are paid can be an important consideration. Helping them understand the difference between a daily and monthly benefit allows you to guide them to a policy that maximizes their benefits and works the way they expect it to work when they need it.

Learn more

You'll find details about Mutual of Omaha's LTCi products on Sales Professional Access.

Go to
MutualofOmaha.com/sales-professionals
select the long-term care page.

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Daily vs. Monthly: What's the Difference?

Take a look at two examples that illustrate how policies can pay differently.

John

Owens an LTCi policy that pays a \$100 **daily** benefit.

Sarah

Owens an LTCi policy that pays a \$3,000 **monthly** benefit.

While the benefits paid by these policies may appear to be equal, the difference is significant.

- Even though both policies pay up to \$3,000 per month in benefits, John's policy has a daily cap of \$100, which means if the cost of services exceeds \$100, he incurs out-of-pocket costs.
- Sarah's policy has a \$3,000 monthly cap, so it doesn't matter what her services cost each day. She will only incur out-of-pocket costs if her expenses exceed the policy's monthly benefit amount.
- In the example below, Sarah has no out-of-pocket costs. Her policy with a monthly benefit also pays more in benefits.

Cost of Service	John's Policy \$100 per day		Sarah's Policy \$3,000 per month	
Monday: \$100	Policy reimbursed: \$100	Out-of-pocket cost: \$0	Policy reimbursed: \$100	Out-of-pocket cost: \$0
Wednesday: \$150	Policy reimbursed: \$100	Out-of-pocket cost: \$50	Policy reimbursed: \$150	Out-of-pocket cost: \$0
Friday: \$250	Policy reimbursed: \$100	Out-of-pocket cost: \$150	Policy reimbursed: \$250	Out-of-pocket cost: \$0
Monthly Totals*	Total reimbursed: \$1,200	Total out-of-pocket: \$800	Total reimbursed: \$2,000	Out-of-pocket cost: \$0

*Based on services received three days per week for four weeks.

Sales Tip: Demonstrate the Difference

Demonstrate how an LTCi policy with a monthly benefit provides greater flexibility to manage LTC expenses. Even if the amount of expenses fluctuates from day to day, the policy will reimburse the entire amount up to the monthly benefit limit.