

# Part 3

## Who Should Consider Long-Term Care Insurance?

*“The question isn’t at what age I want to retire, it’s at what income.”*

—George Foreman

Are you ready for prime time?

Your clients, both existing and potential, have to hope you are. If being prepared to talk to consumers about long-term care insurance means waiting for the phone to ring or checking your Facebook page to see whether anyone has inquired about this product, that won’t get it done. Long-term care insurance has to be sold, and that means first identifying who is or is not a suitable candidate for this kind of protection.

In Part One, we introduced a range of topics with which you should now be reasonably conversant, any or all of which could play a role in helping individuals, couples, or families determine whether long-term care insurance is a good fit. In Part Two, you witnessed the evolution of the product from its beginnings to its current state. In Part Four, you will read about specific product solutions designed to meet various LTC needs.

Now is the time to apply your newfound knowledge and venture forth. The prospecting world has changed for this product over the last few decades. The primary candidate today is likely a Baby Boomer, a generation that so far has largely rejected the idea of paying for such coverage. Yet many will find themselves in desperate financial straits if they are unprepared for a long-term care event.

This is your cue. As a financial advisor, you are a key to our nation's future. We are entering a dark financial age due to the inability of the federal government to plan for the aging of our population.

Boomers have followed the government's lead. If the people in Washington DC aren't worried, why should we worry? (All we need is a poster of Alfred E. Neuman instead of Uncle Sam to complete the picture.)

A long-term care event can wreak havoc. It can come on suddenly and turn the world upside down for not just the person afflicted, but the family members surrounding that person. Unless they are prepared, it can have disastrous consequences for everyone concerned.

In 2007, then Iowa Insurance Commissioner Susan Voss (who would go on to become head of the National Association of Insurance Commissioners) and her staff prepared a report on long-term care insurance. In it they stated, "there was a clear lack of understanding by consumers about long-term care insurance."<sup>1</sup> A 2009 survey by the MetLife Mature Market Institute (which regularly reports on issues of aging and longevity) polled Americans on their basic knowledge of LTC. Titled *Long-Term Care IQ: Removing Myths, Reinforcing Realities*,<sup>2</sup> the quiz proved difficult for most respondents—just 21 percent scored a grade of seventy or higher. Although many respondents understood *what* long-term care insurance was, more than half underestimated its need as one ages, and very few had taken action to protect themselves against LTC expenses.<sup>3</sup>

The following year, a Prudential Long-Term Care Cost Study revealed that 77 percent of consumers (ages thirty to sixty-five) wanted to know more about long-term care insurance, while 74 percent of consumers (ages fifty-five to sixty-five) were either concerned or very concerned about their need for long-term care. The same study declared that 70 percent of Americans age sixty-five and older will need long-term care assistance at some point in the future.<sup>4</sup>

We are resupplied with similar statistics each year—always useful, always reinforcing our message. Great! But how do we broadcast this message to the American public? It's as if many already know they need this financial aid, but aren't adept (or motivated) enough to make the arrangements.

This is the financial advisor's job. Seek out and educate! People are willing to hear a story they partially understand, but if no one calls on them their chances of putting together a plan are exceedingly low. This is not a product you can buy comfortably on the Internet.

In an effort to marshal its forces and present a unified front against what is seen as a generally negative spin from the media, the LTC insurance industry created an unprecedented campaign in 2011. With support from multiple insurance carriers, Field Marketing Organizations, trade publications, lead vendors, and hundreds of producers across the nation, a nonprofit campaign called 3 in 4 Need More kicked off, complete with celebrity spokeswoman (Dr. Marion Somers)

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and national bus tour. Agents can take advantage of publicity materials (including a now-ubiquitous logo) by visiting the website [www.3in4needmore.com](http://www.3in4needmore.com).

The stated goal of the 3 in 4 Need More campaign is to educate the public that long-term care *insurance* may not be for everyone, but everyone needs to plan for long-term care. You can't say it any better than that.

Financial advisors can register at the 3 in 4 Need More site in order to access personalized marketing materials, directory listing on the website and app, and participation in the campaign's licensed lead generation program.

A new financial era is dawning, and every day we are seeing that there is a limit to what American taxpayers will tolerate. There is hope that fiscally conscientious legislators will heed this message and understand that some concerns are an individual responsibility, not necessarily something to be addressed with public funds.

This fiscal turning of the tide begins at home. Every time you help a family plan ahead against the risk of a potential LTC expense, you have spared the American public the cost of paying for their unprepared expenses through our taxes. No matter which party you belong to, no one wants to pay a penny more in taxes than necessary!

The next section of the book examines four types of prospects: those under the age of sixty-five, those of Medicare age and older, employers, and employees. Each group requires a distinct approach in order to start the long-term care conversation. Each chapter provides ideas and tools to accomplish this task.

### Endnotes

1. Iowa Insurance Division, Long-Term Care Insurance Study: A Report to the Governor and Lt. Governor (Des Moines, Iowa: Sept. 17, 2007). Available at <https://www.legis.iowa.gov/DOCS/LSA/IntComHand/2008/IHPAF097.PDF>.
2. Available at <https://www.metlife.com/assets/cao/mmi/publications/consumer/long-term-care-essentials/mmi-long-term-care-iq-removing-myths-survey.pdf>
3. "Still in the Dark," *Advisor Today* (January 2010): 30–31.
4. Missy Gordon, "Hot Topics of the ILTCI Conference," *Disability Newsletter* (May 2011): 5.

