



# Planning for Long-Term Care

**New Findings from a 2023 Survey  
of Financial Professionals and  
Consumers**

**August 2023**



CONSUMER INSIGHTS

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# Research Methods

Versta Research, a third-party research firm, was commissioned by Lincoln Financial Group to design and conduct two surveys, one among producing financial professionals and one among consumers. The goal was to explore current long-term care attitudes, experiences, and planning.

## Financial Professional Survey

- Sample of 405 producing financial professional
- Recruited from national online and expert network business panels used exclusively for research
- To qualify for the survey, financial professionals had to:
  - Have at least some familiarity with long-term care insurance and/or insurance products with long-term care riders
  - Have worked at least three years as a financial professional
  - Report an average client portfolio of at least \$100,000
- Financial professionals represented the full range of channels, including independent broker dealers, wirehouses, regional & insurance broker dealers, banks, and others

## Consumer Survey

- Sample of 1,003 U.S. adults
- Recruited from a national online research panel used exclusively for polling and research
- Sampling was stratified and weighted to match U.S. Census data on age, gender, race, ethnicity, region, income, and education

The surveys were conducted from May 18 to June 30, 2023.

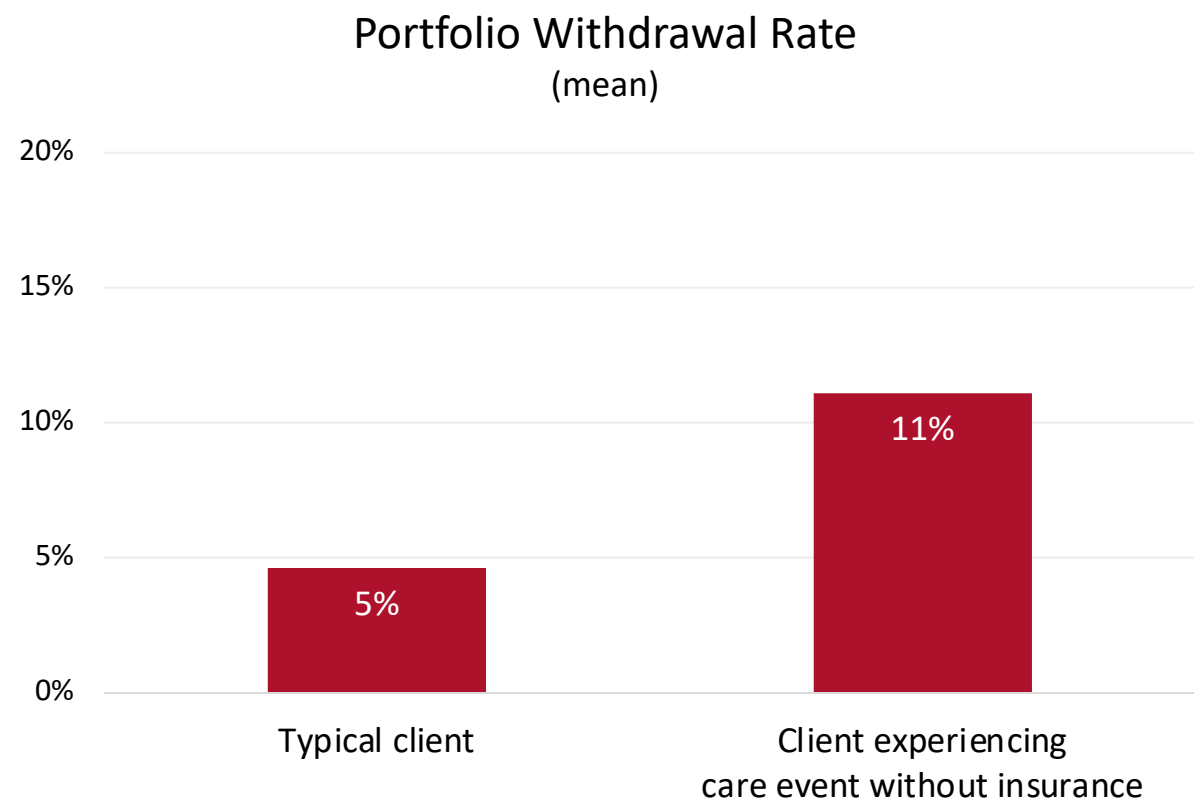
# Financial Professionals

# Financial Risk & the Need for Long-Term Care

**Financial Professionals**

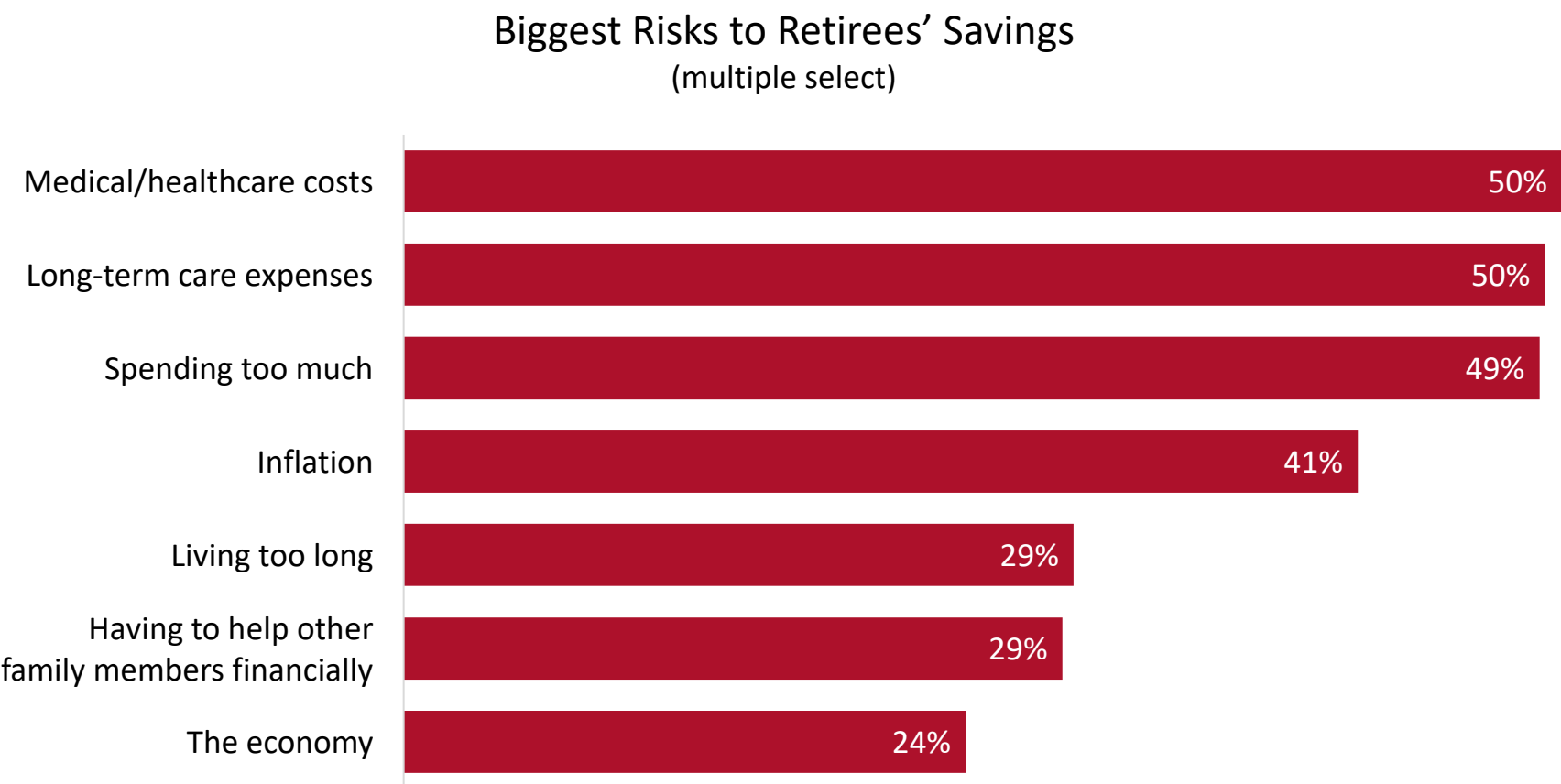
Nearly all financial professionals report clients who have needed long-term care, which can double an uninsured client's portfolio withdrawal rate.

**98%**  
of financial  
professionals say  
clients have **needed**  
**long-term care**



25. How many clients have you witnessed experiencing a need for long-term care? [MANY/SOME/A FEW] 12. What is the average annual withdrawal percentage (%) for your typical client who takes retirement income from their investment portfolio? 0-1%; 2-3%; 4-5%; 6-7%; 8-9%; 10% or more; Don't know/Not sure; I do not use this strategy to generate retirement income for clients. [MEAN] 45. [BASE: ALL] Previously you indicated that your typical client withdraws [%] of their assets annually to cover their retirement income. What do you estimate that withdrawal percentage to be if that client experiences a long-term care event but does not have any long-term care coverage? [MEAN] (n=405)

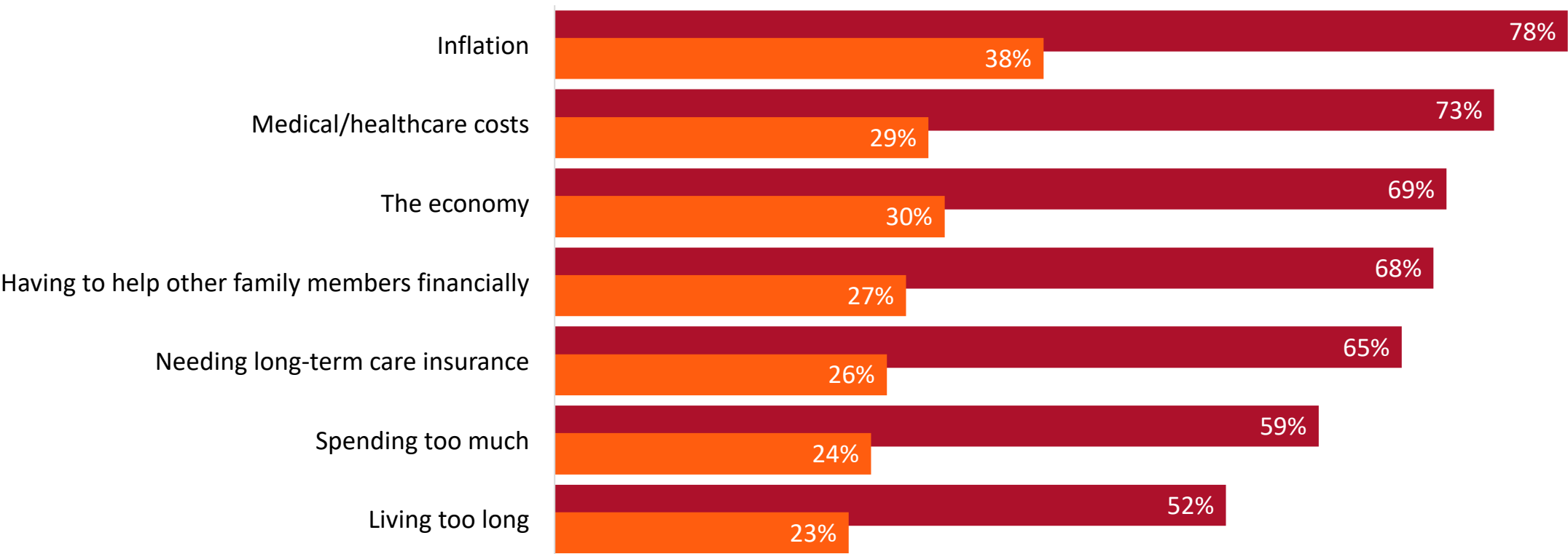
# Medical and long-term care expenses are seen as bigger threats to a retirement portfolio than longevity, inflation, or the economy.



16. Which of the following do you perceive as the greatest risks to a person's savings once they retire? Please select all that apply. (n=405)

# Two-thirds of financial professionals say the pandemic increased their awareness of long-term care as a risk to retirement savings.

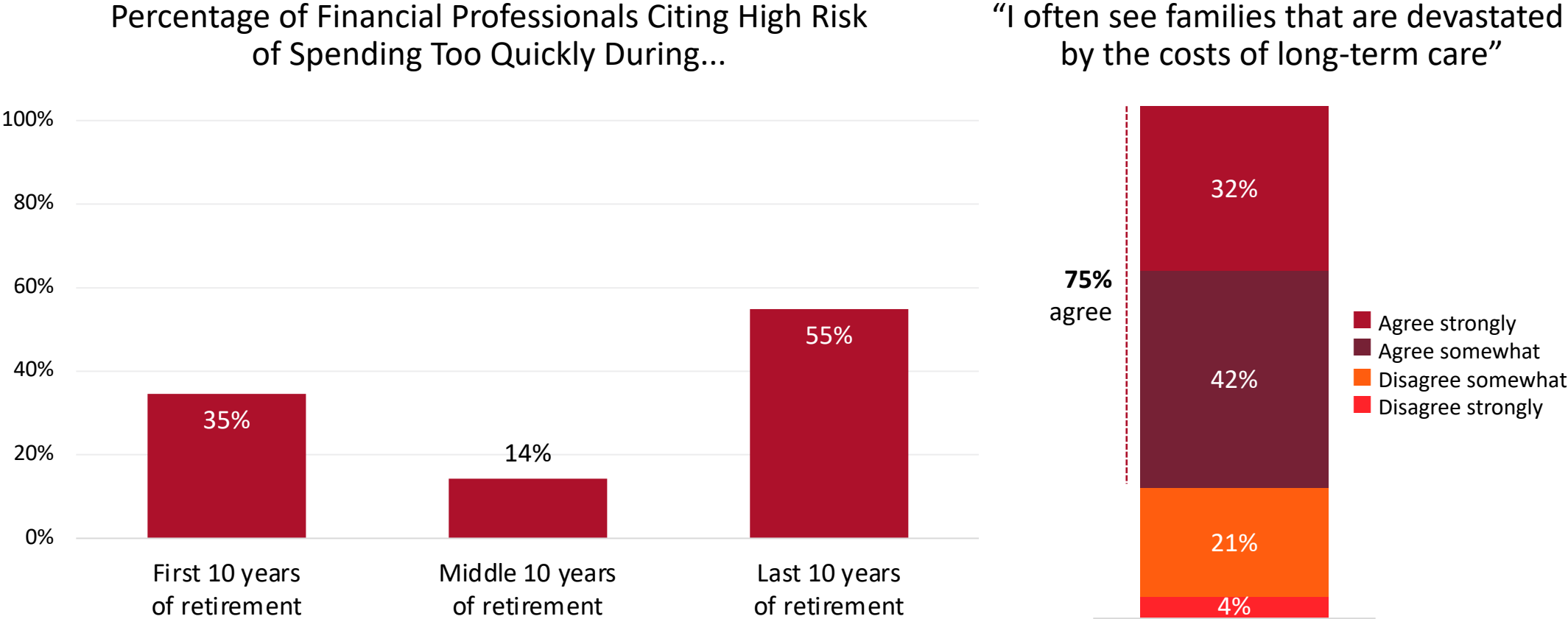
Changed Perception of Risks from the Pandemic



46. How, if at all, did the pandemic change your perception of the following risks to a person's savings once they retire? The pandemic did not change my perception of this type of risk; The pandemic made me more aware of this type of risk; The pandemic fundamentally changed how I perceive this type of risk. (n=405)

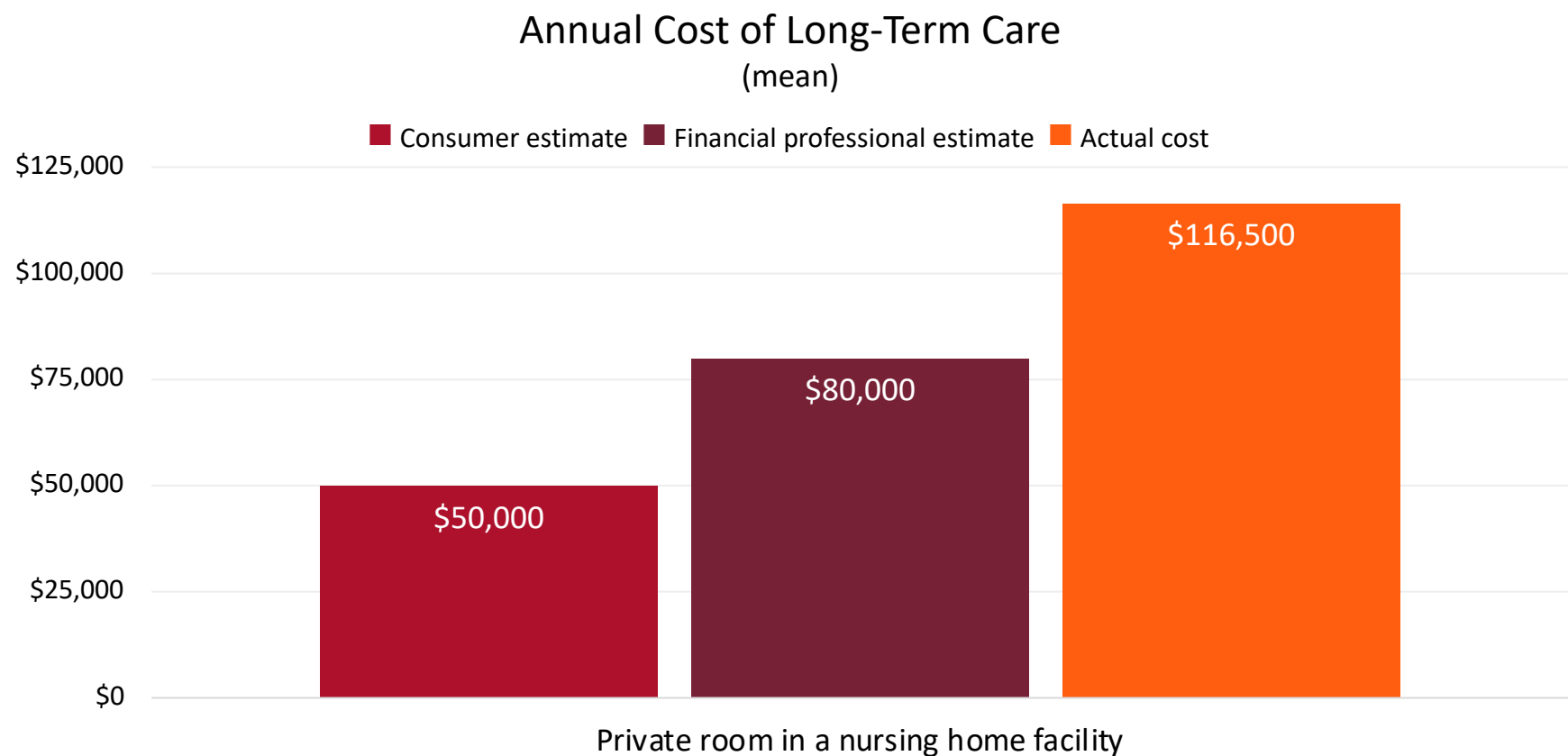


# Three out of four financial professionals often see families devastated by the cost of long-term care.



38. Please think in terms of a 30-year retirement and consider all the things you see clients doing and spending money on during their retirement years. Please rate the following retirement years in terms of their risk for diminishing assets too quickly. [HIGH RISK] 24c. How much do you agree or disagree with each of the following statements? I often see families that are devastated by the costs of long-term care. (n=405)

Even so, financial professionals (like consumers) substantially underestimate the cost of a private room in a nursing home.



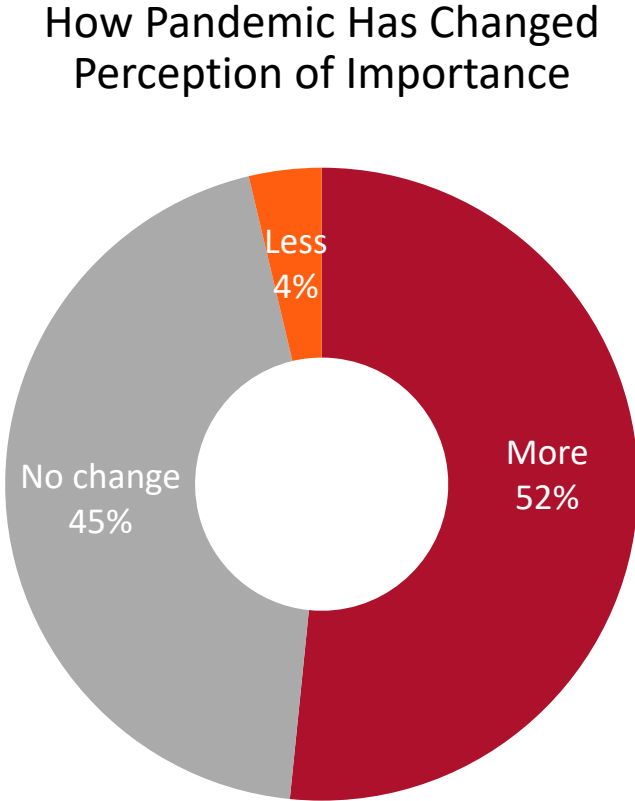
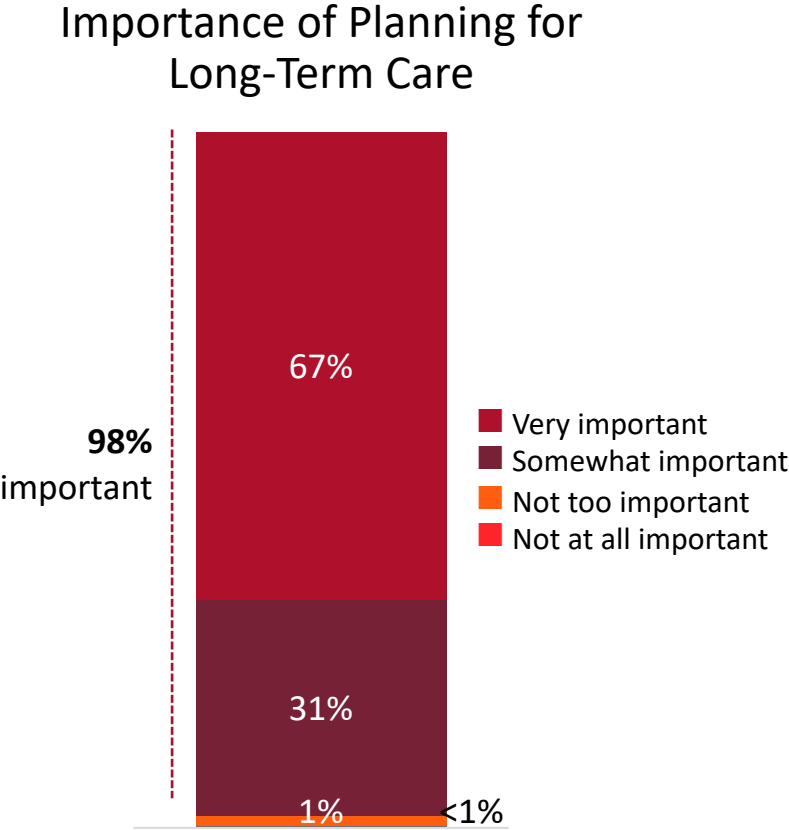
\* Illumifin, “2022 Lincoln Financial Cost of Care Survey,” March 2023

36. What would you estimate is the average annual cost of a private room in a nursing home facility in the United States today? [MEAN ‘000] (n=405) CONSUMER 46. What would you estimate is the average annual cost of a private room in a nursing home facility in the United States today? [MEAN ‘000] (n=1,003)

# Long-Term Care Planning

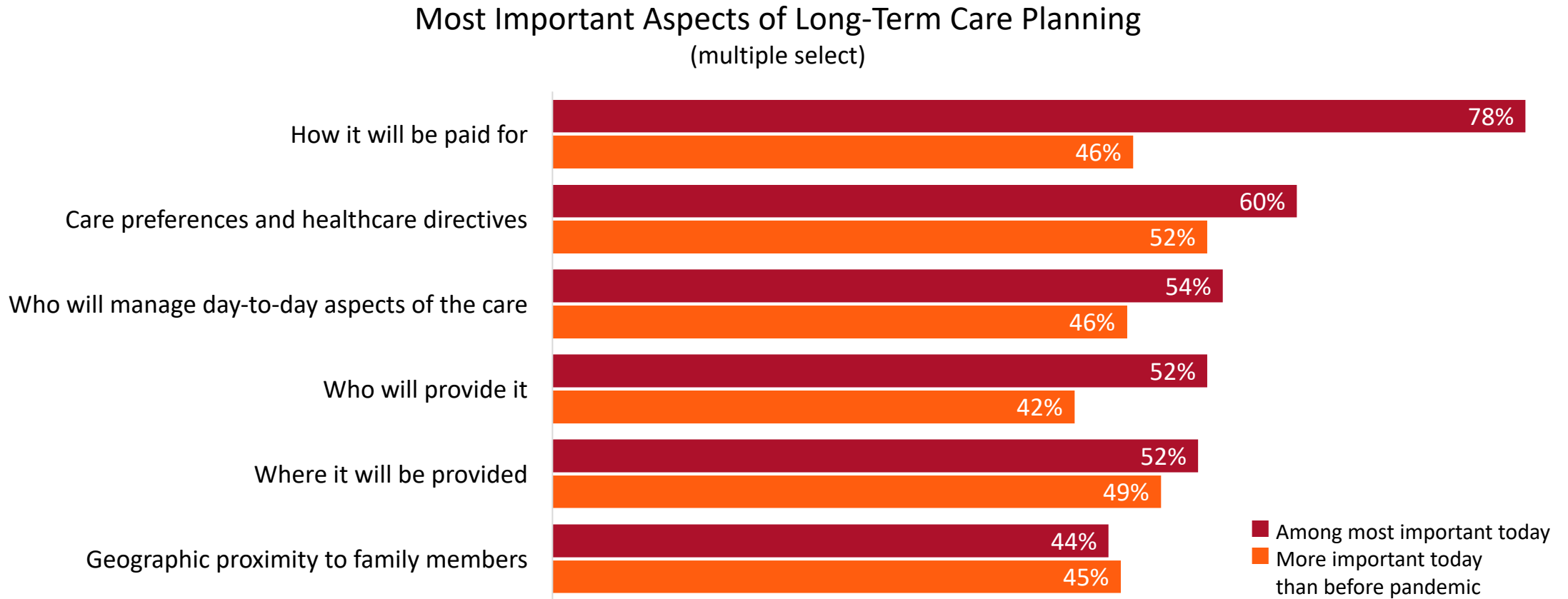
## Financial Professionals

Nearly all financial professionals say it is important to plan for long-term care, with half seeing it as even more important since the pandemic.



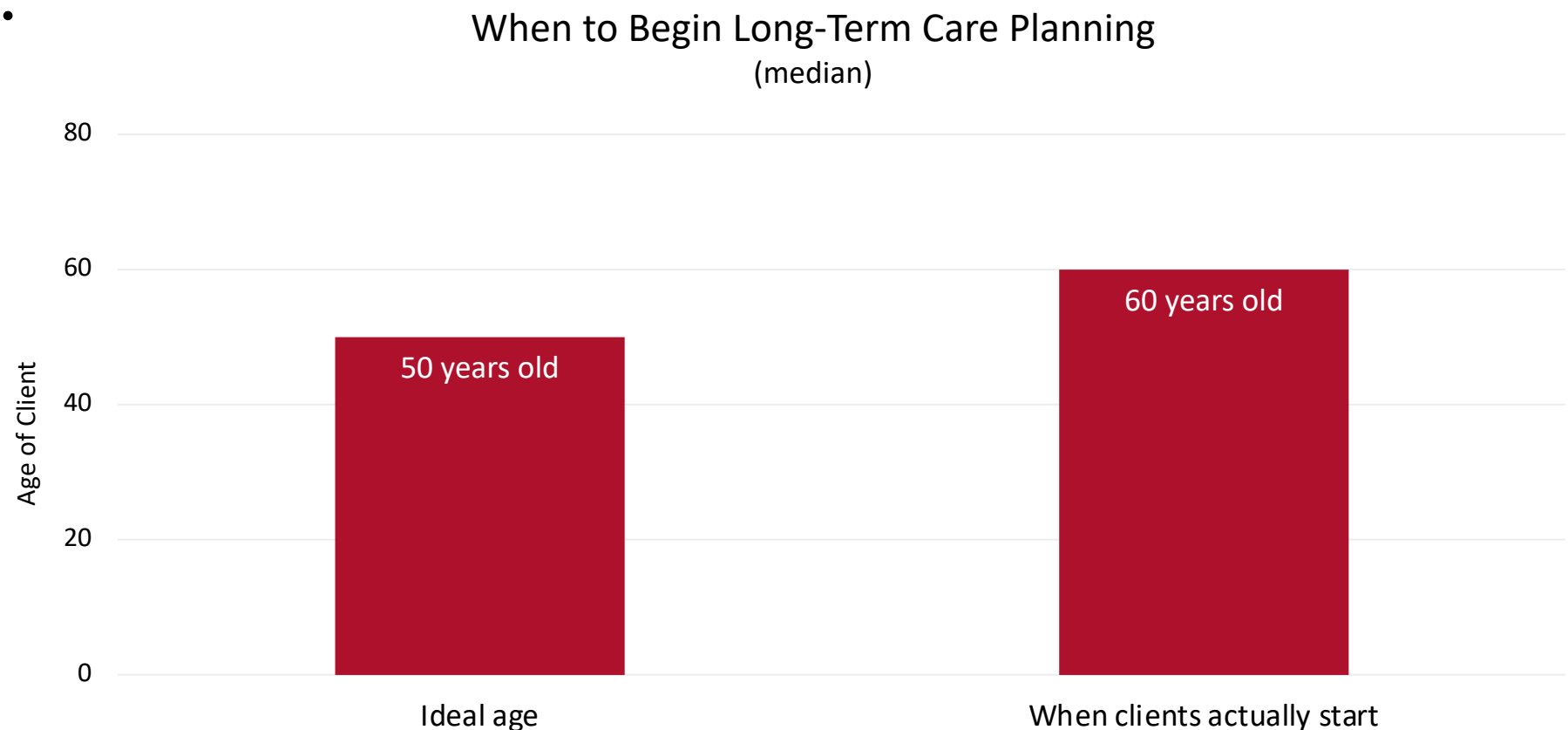
18. How important do you feel it is for people to plan for long-term care? 47. How did the pandemic change your perception of planning for long-term care? I now think it is more important; I now think it is less important; It did not change my perception. (n=405)

# Financial professionals say the most important piece of long-term care planning is figuring out how to pay for it.



19. [BASE: ALL] Which of these do you feel are most important to plan for with regards to LTC? Please select all that apply. 20. Which of these, if any, do you feel are more important today than they were prior to the pandemic? Please select all that apply. (n=405)

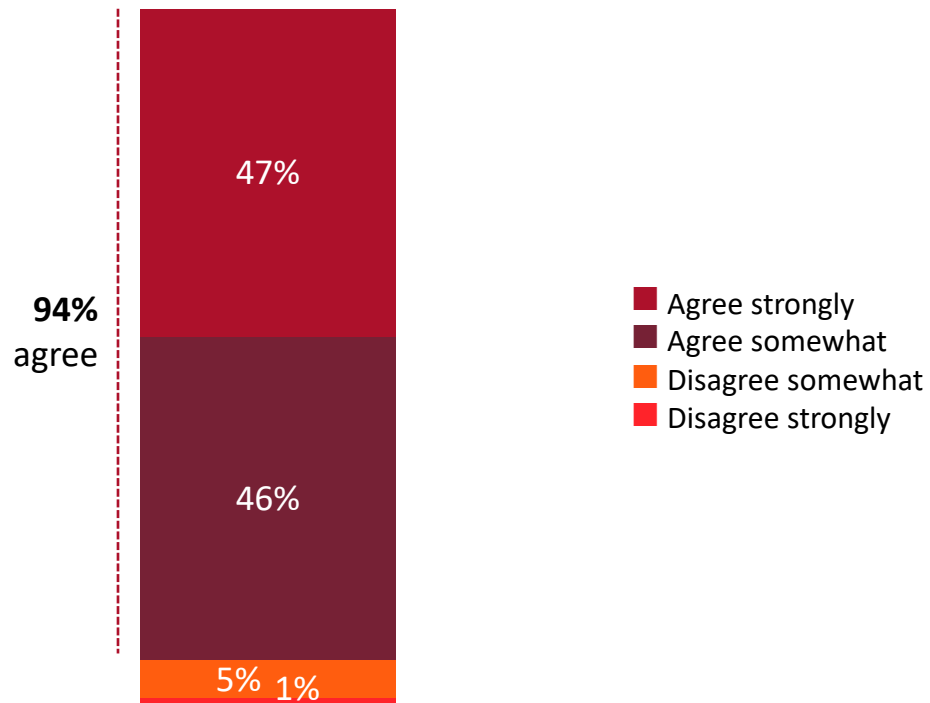
Financial professionals say the ideal age to begin long-term care planning is 50 years old—but their clients typically wait until they are 60.



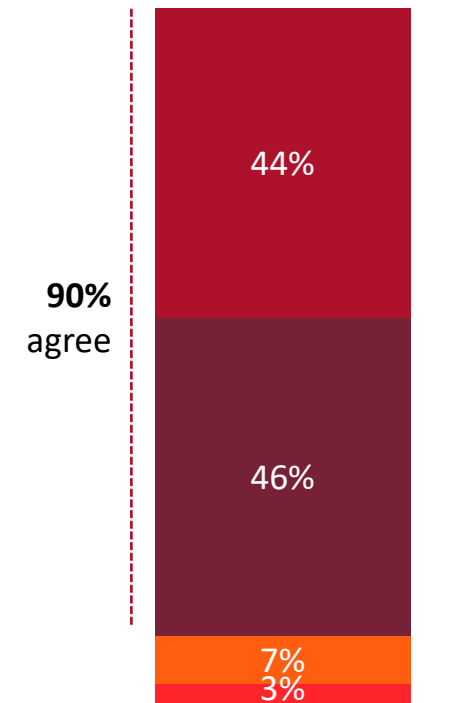
28. In terms of a client's age, when do you think it is ideal to start talking about long-term care planning? [MEDIAN] 29. At what age, on average, do clients actually start talking with you about long-term care planning? [MEDIAN] (n=405)

# Nine out of ten financial professionals believe Americans are not yet doing what they should be doing to prepare for long-term care.

“People wait too long before discussing plans and options for long-term care”



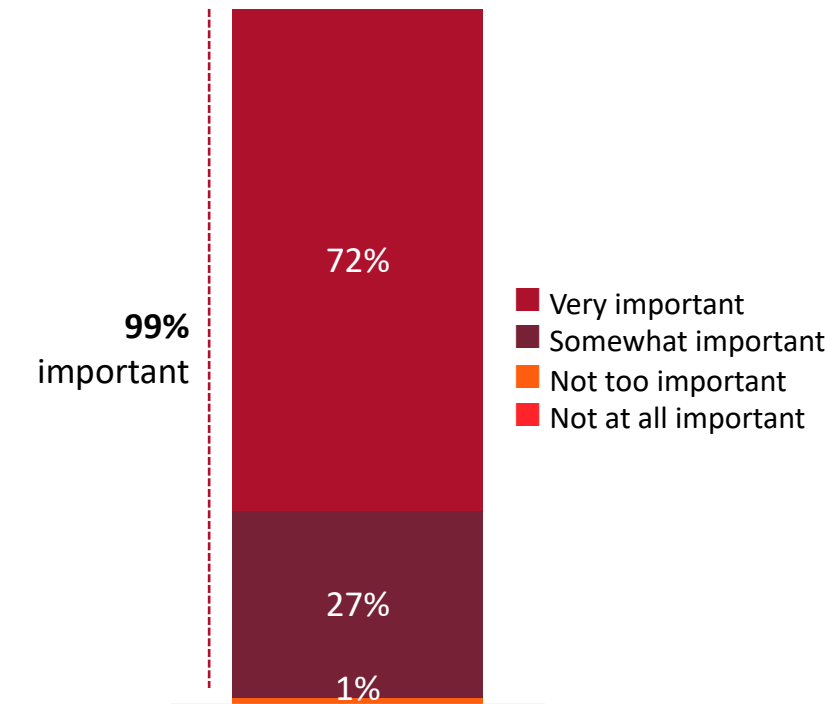
“People are not sufficiently planning for long-term care”



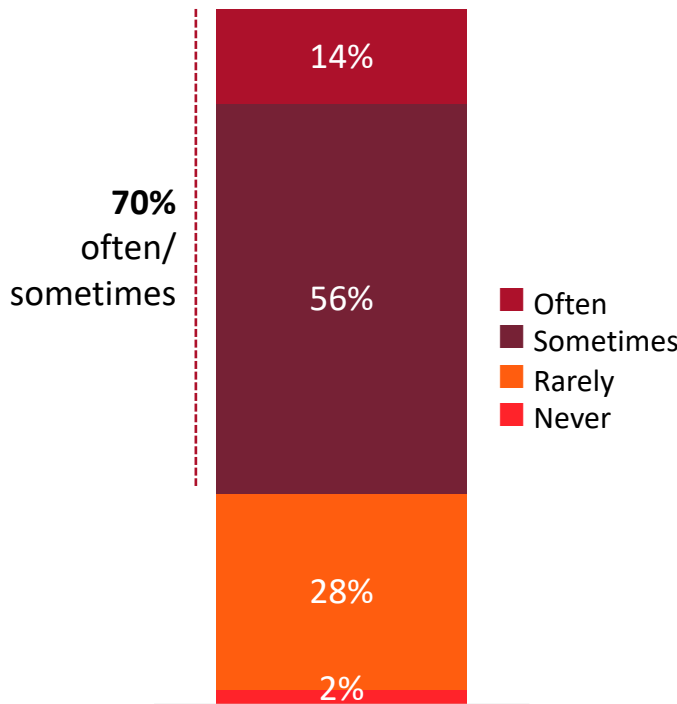
24d,a. How much do you agree or disagree with each of the following statements? (n=405)

# Seven out of ten financial professionals sometimes or often see families in conflict over how to provide long-term care for a loved one.

Importance of Families Talking about Long-Term Care Preferences



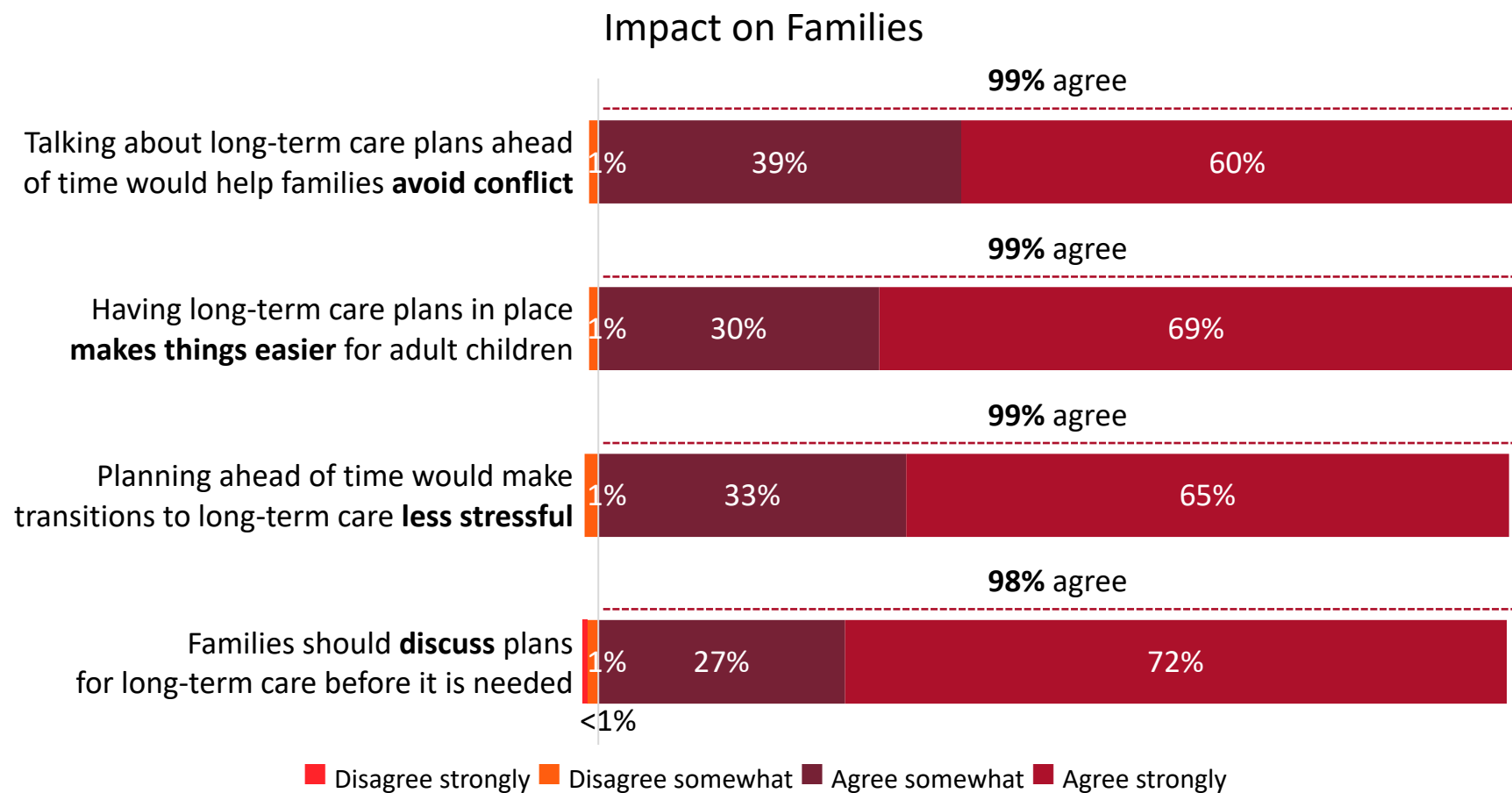
Families in Conflict over How to Provide Long-Term Care



21. How important do you believe it is for families to talk about their long-term care preferences? 22. How often do you experience families in conflict over how to provide long-term care for a loved one? (n=405)



# Financial professionals believe that family conversations about long-term care can pave the way for easier transitions and less conflict.



How much do you agree or disagree with each of the following statements? 23a. Talking about long-term care plans before they are needed would help families avoid conflict; c. Having long-term care plans in place would make things easier for adult children; b. Planning before care is needed would make transitions to long-term care less stressful. 24b. Families should discuss plans for long-term care before it is needed. (n=405)

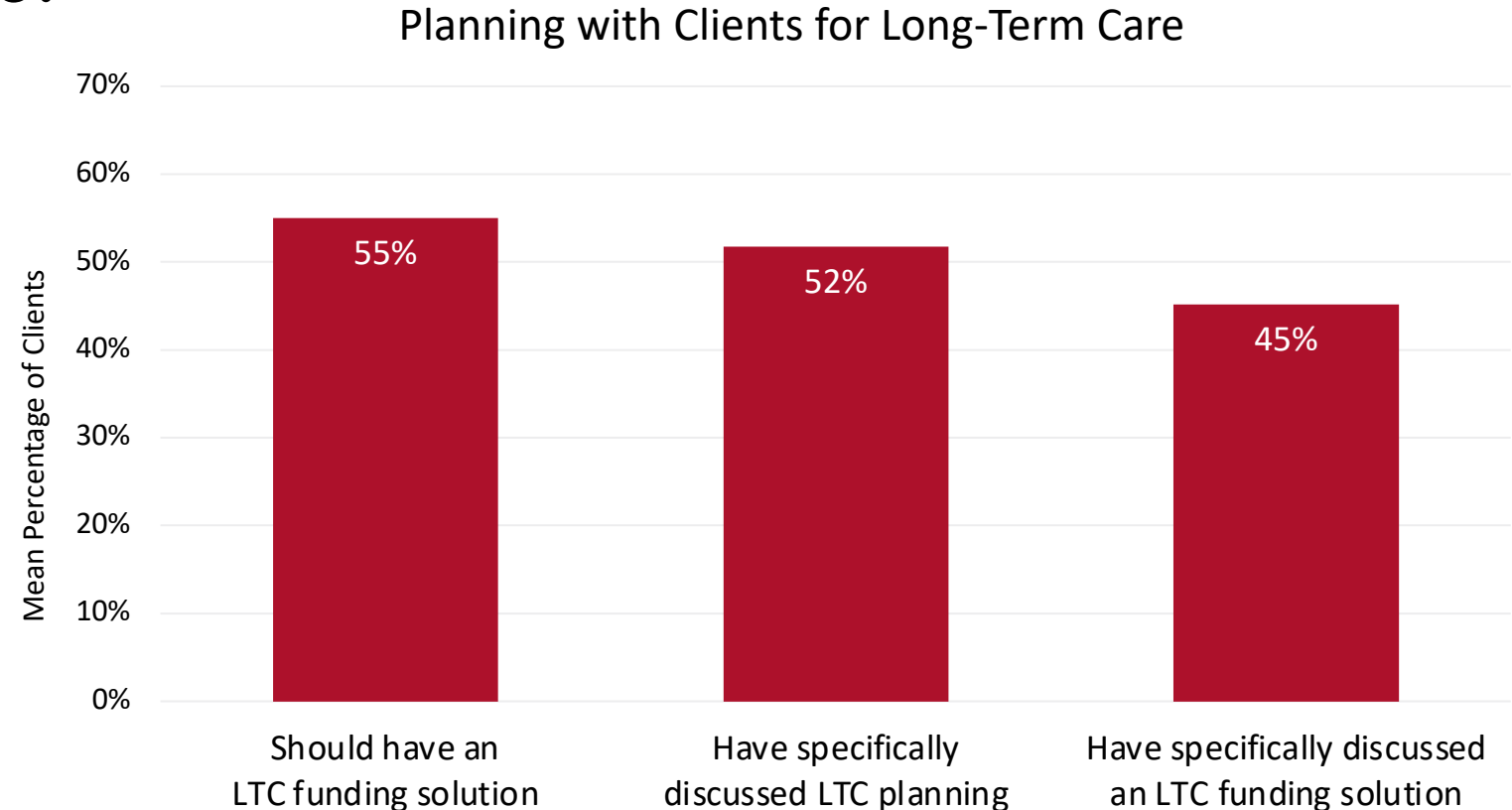
# Discussing Long-Term Care with Clients

## **Financial Professionals**

# Financial professionals estimate having talked with only half their clients about long-term care plans, though almost all agree its important to do so.

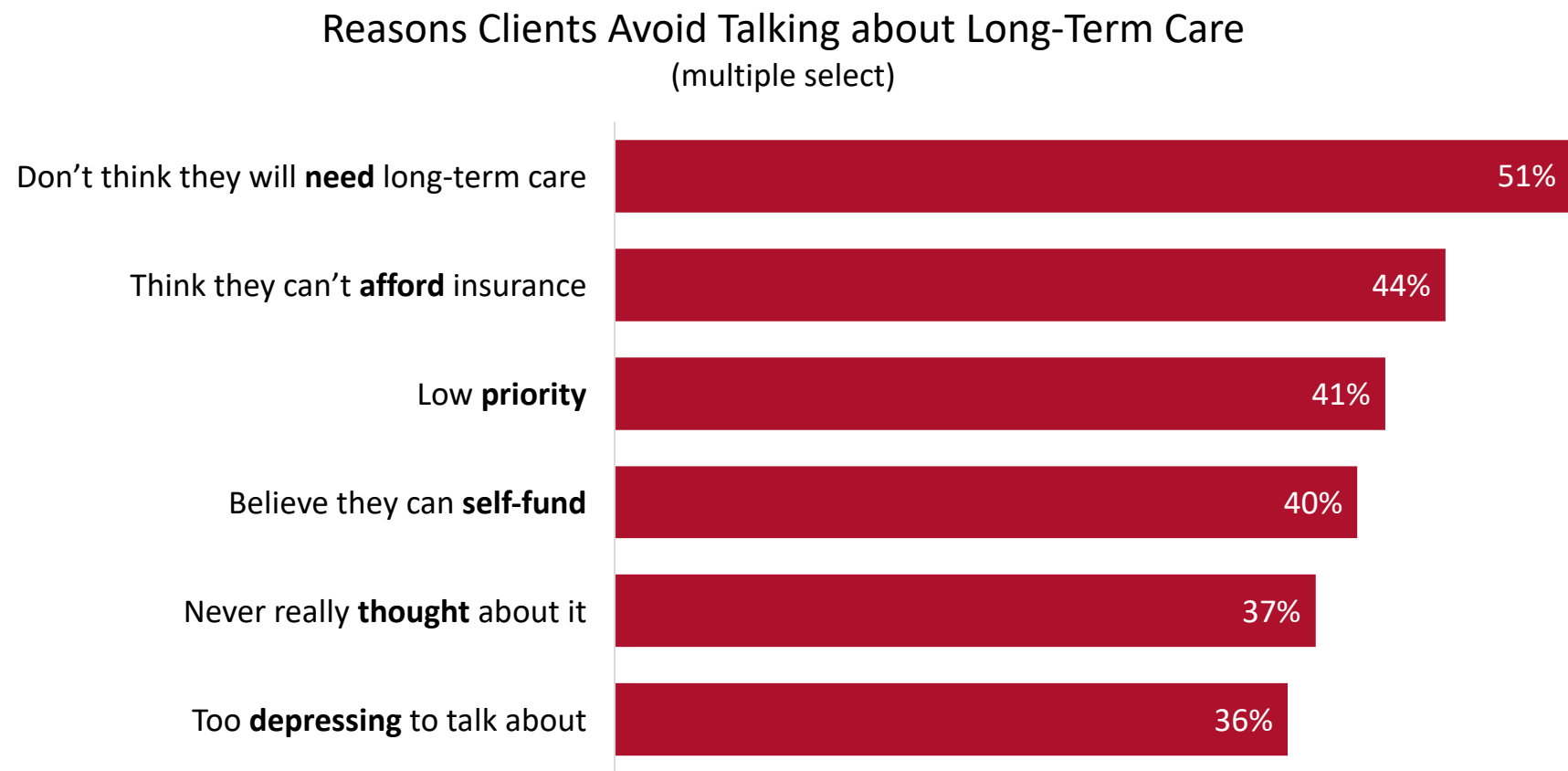
99%

of financial professionals say they **should talk** about long-term care plans with their clients



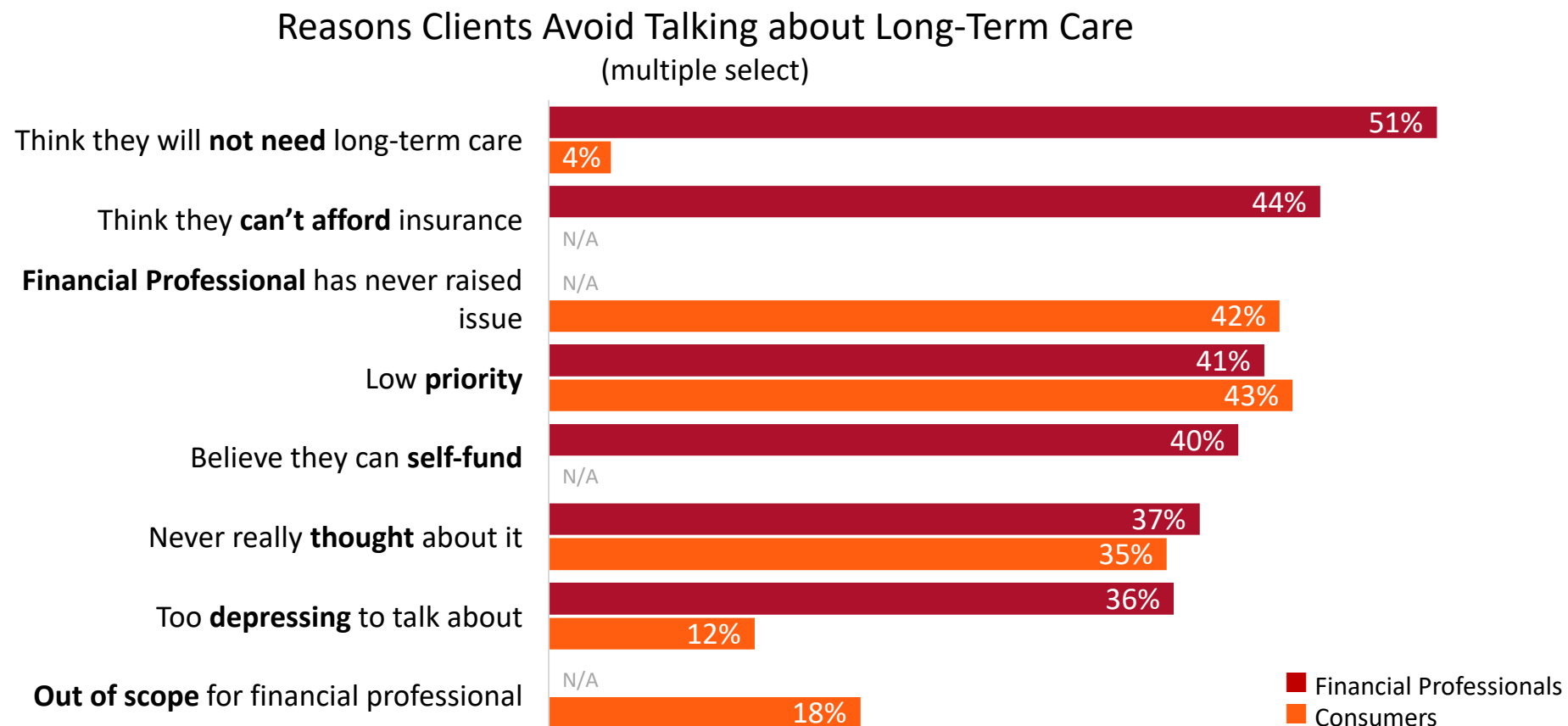
37a. How much do you agree or disagree with each of the following statements? Financial professionals should talk about long-term care plans with their clients. [AGREE STRONGLY/AGREE SOMEWHAT] 27. What percentage of your clients do you believe need a long-term care funding solution? [MEAN] 26. With what percentage of your clients have you specifically discussed: a. ...long-term care planning; b. ...a long-term care funding solution. [MEAN] (n=405)

# Financial professionals say clients think they will not need long-term care, and they push back on the affordability of insurance.



31. What are the biggest reasons clients may not want to talk about long-term care planning? Please select all that apply. They think they will not need long-term care; They believe they cannot afford long-term care insurance; They feel it is a low priority for them; They believe they can self-fund without long-term care insurance; They have never really thought about it; They find it too depressing to talk about; Other reasons. (n=405)

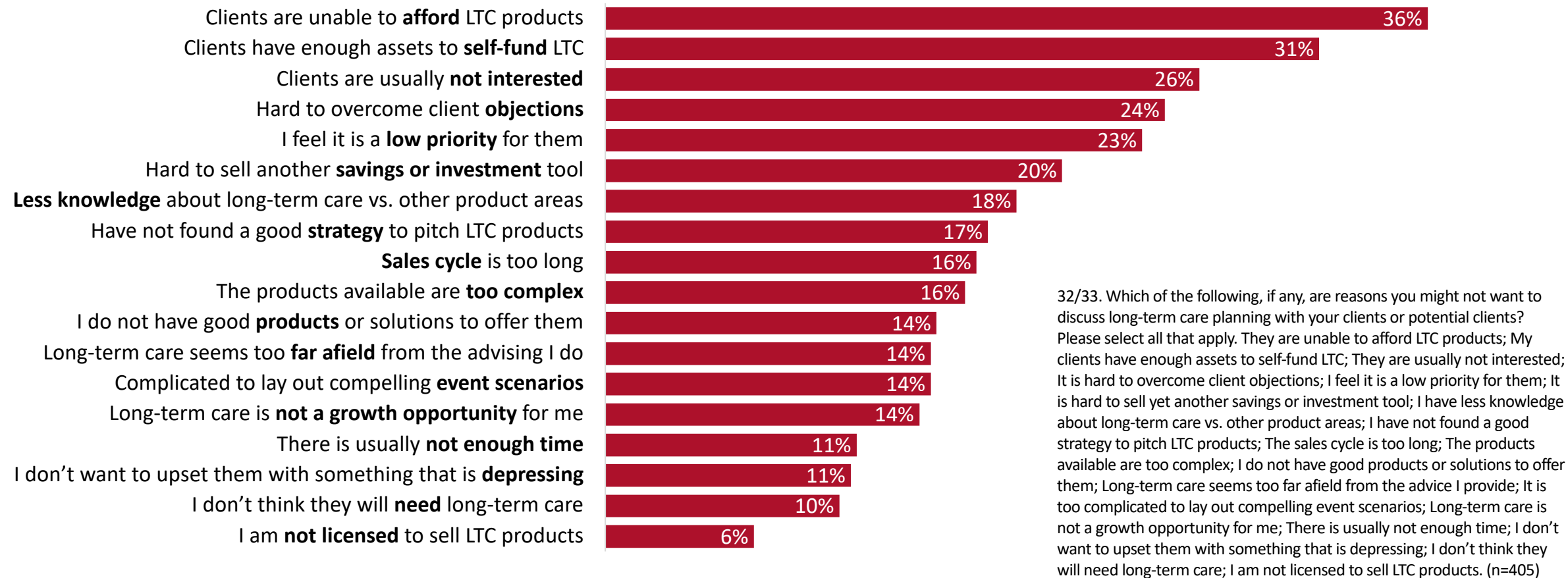
# In contrast, clients say financial professionals do not raise the issue, and it's not top of mind anyway.



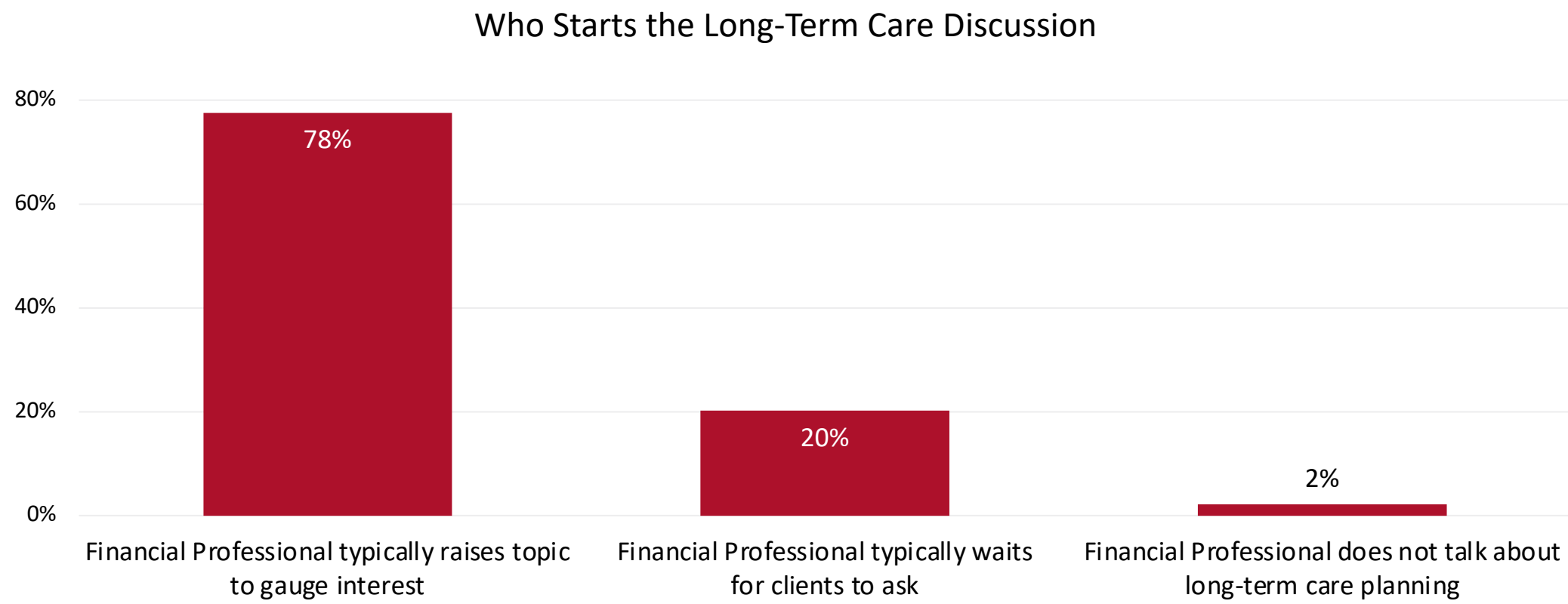
FINANCIAL PROFESSIONAL 31. What are the biggest reasons clients may not want to talk about long-term care planning? Please select all that apply. They think they will not need long-term care; They believe they cannot afford long-term care insurance; They feel it is a low priority for them; They believe they can self-fund without long-term care insurance; They have never really thought about it; They find it too depressing to talk about; Other reasons. (n=405) CONSUMER 23. [IF HAVEN'T DISCUSSED LTC PLANNING WITH FA] Why have you not discussed long-term care planning with your financial professional? Please select all that apply. I don't think I will need long-term care; It is a low priority right now; My financial professional has never raised the issue; I've never really thought about it; It's too depressing to talk about; It is not a part of the services offered by my financial professional. (n=184)

# Financial professionals worry about affordability, as well, and some clients are able to self-fund. One-quarter say clients are just not interested.

Reasons Financial Professionals Avoid Talking about Long-Term Care  
(multiple select)



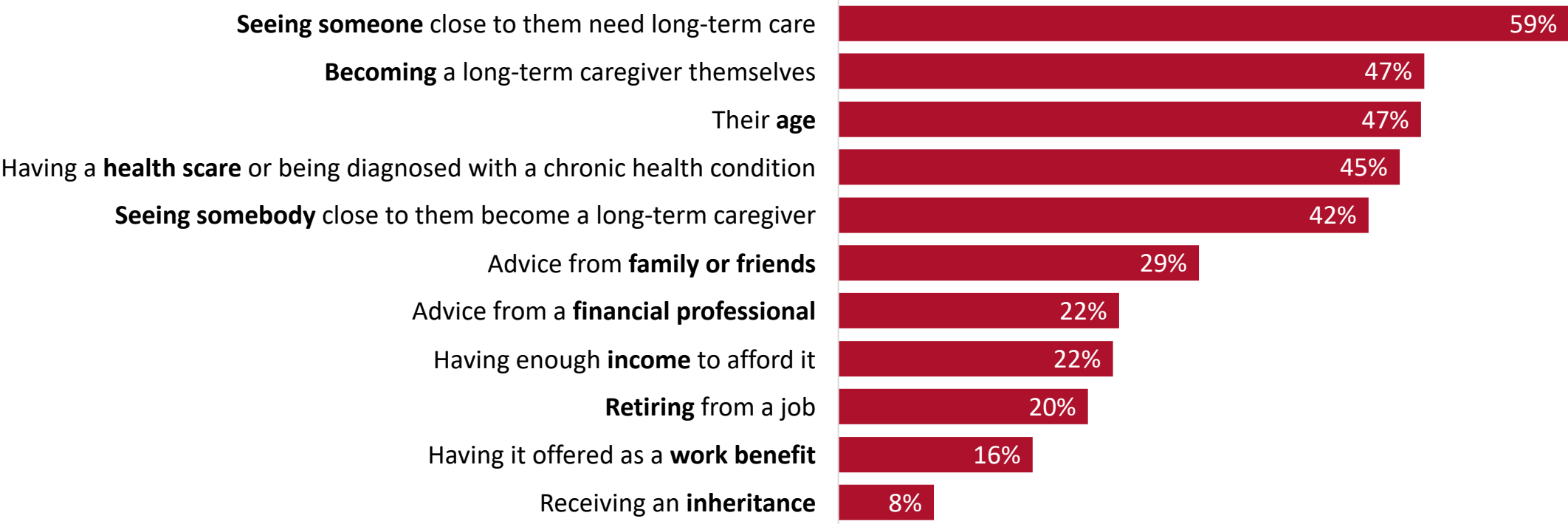
When long-term care is discussed, financial professionals say they themselves (not their clients) are usually the ones who start the discussion.



30. Which describes you best, even if none of these statements is exactly right: I typically raise the need for a long-term care plan with my clients to see if they have an interest; I typically wait until I hear clients express interest in long-term care planning before discussing it; I typically do not talk about long-term care planning. (n=405)

# The key to client interest is a person close to the client needing long-term care.

Triggers of Client Willingness to Discuss Long-Term Care  
(multiple select)

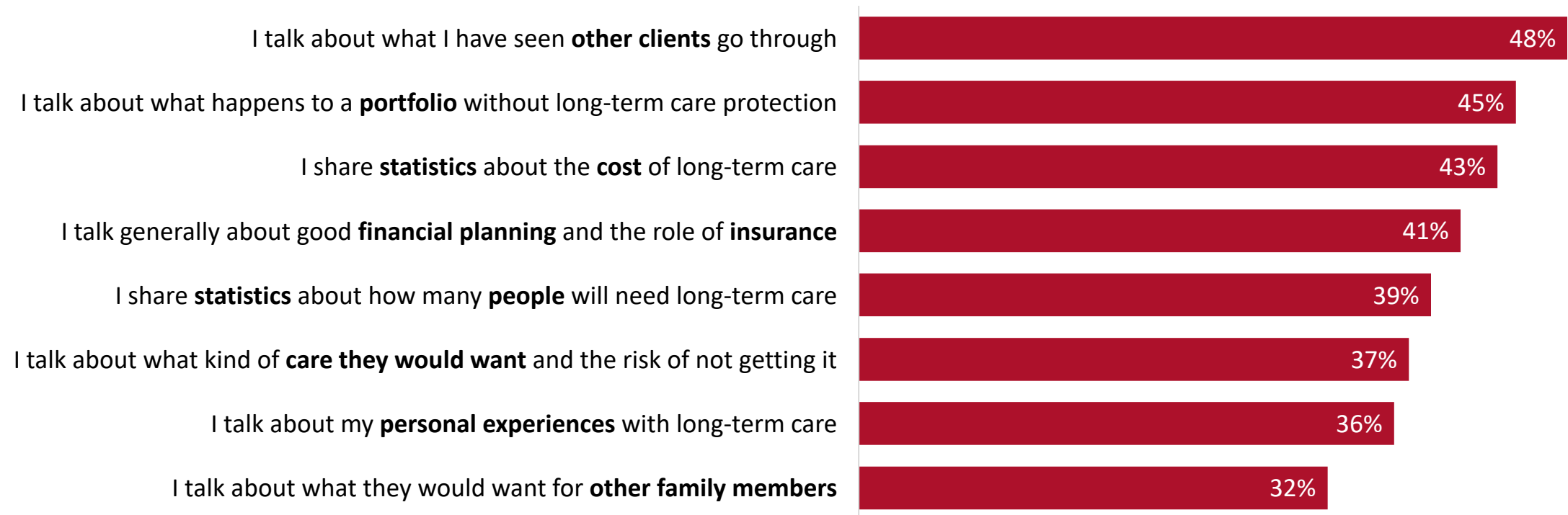


34. What are the biggest triggers that motivate your clients to discuss long-term care planning? Please select all that apply. (n=405)



# If clients have no personal connection, many financial professionals try to talk about what other clients are going through.

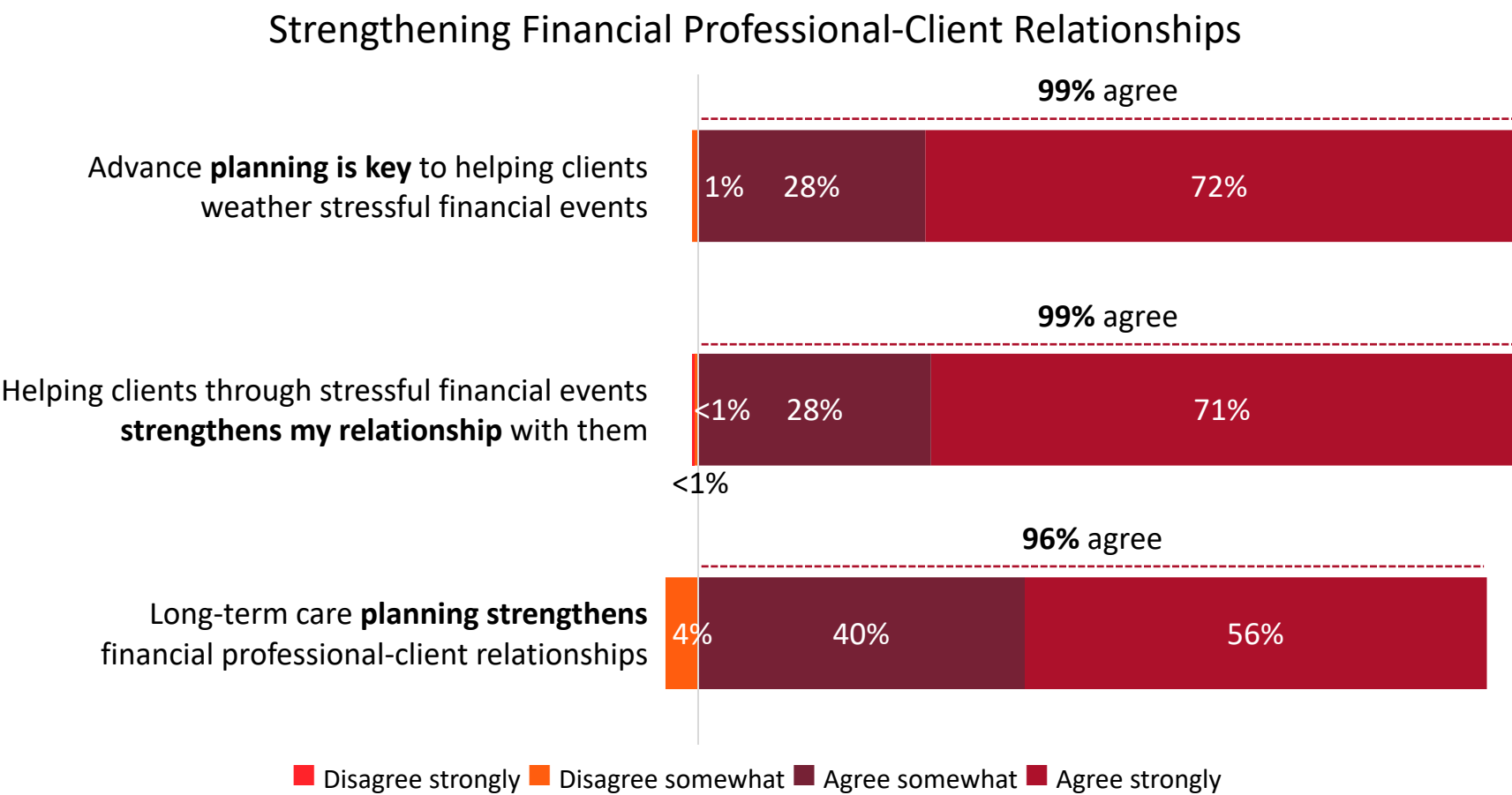
Explaining the Need to Clients  
(multiple select)



# Client Relationships & Building New Business

**Financial Professionals**

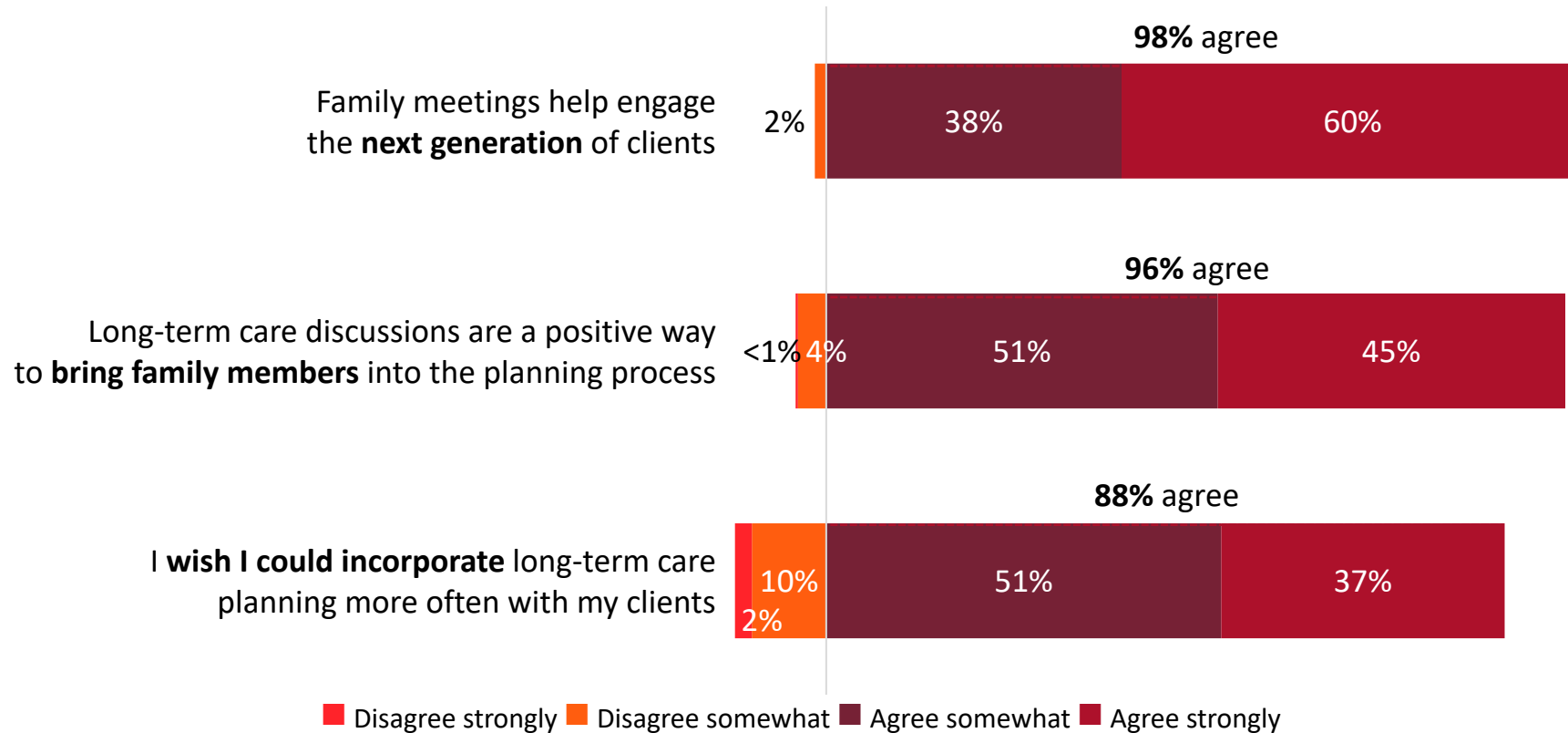
# Nearly all financial professionals agree that discussing long-term care planning will strengthen relationships with clients.



How much do you agree or disagree with each of the following statements? 17a. Advance planning is key to helping clients weather stressful financial events; 17b. Helping clients through stressful financial events strengthens my relationship with them; 37b. Long-term care planning strengthens financial professional/client relationships. (n=405)

# Bringing other family members into client meetings helps attract the next generation of business, as well.

## Building More Financial Professional-Client Relationships



How much do you agree or disagree with each of the following statements? 17c. [IF MEETS CLIENTS WITH LOVED ONES] Family meetings with clients help me engage the next generation of clients (n=399); 23d. Long-term care discussions are a positive way to bring family members into the planning process (n=405); 37c. I wish I could incorporate long-term care planning into discussions more often with my clients (n=405).

Nearly all have met with clients along with children or loved ones, and they have done so for roughly a third of their clients.

**99%**  
of financial professionals  
have met clients **along with**  
**children** or loved ones

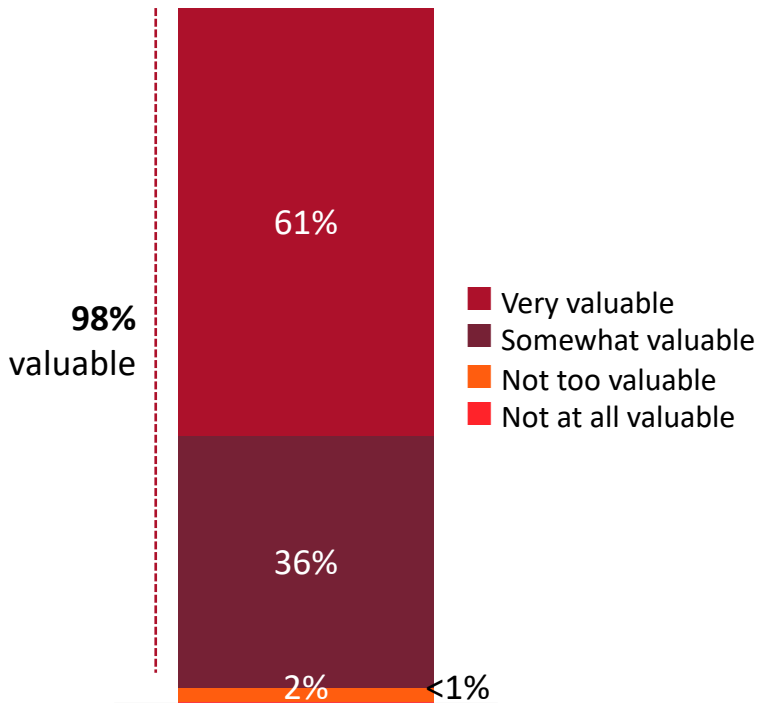


They have  
done so with  
**36%**  
**of their clients,**  
on average

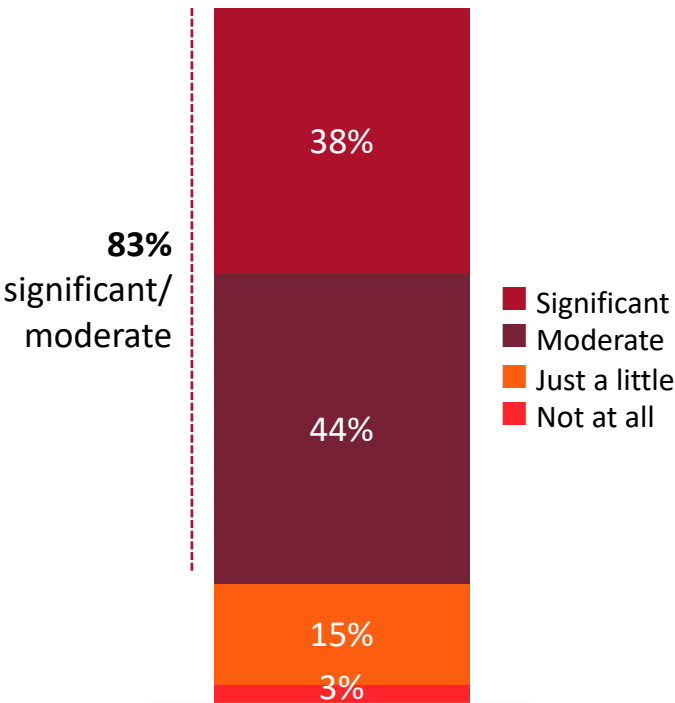
13. Approximately what percentage of your clients have you ever met along with their children or loved ones in a client meeting? [1%+; MEAN] (n=405)

# Among financial professionals who have met with family, a third say it has helped increase their business pipeline significantly.

Value of Meeting Clients  
with Children or Loved Ones



Impact on Business Pipeline  
(among those who include)



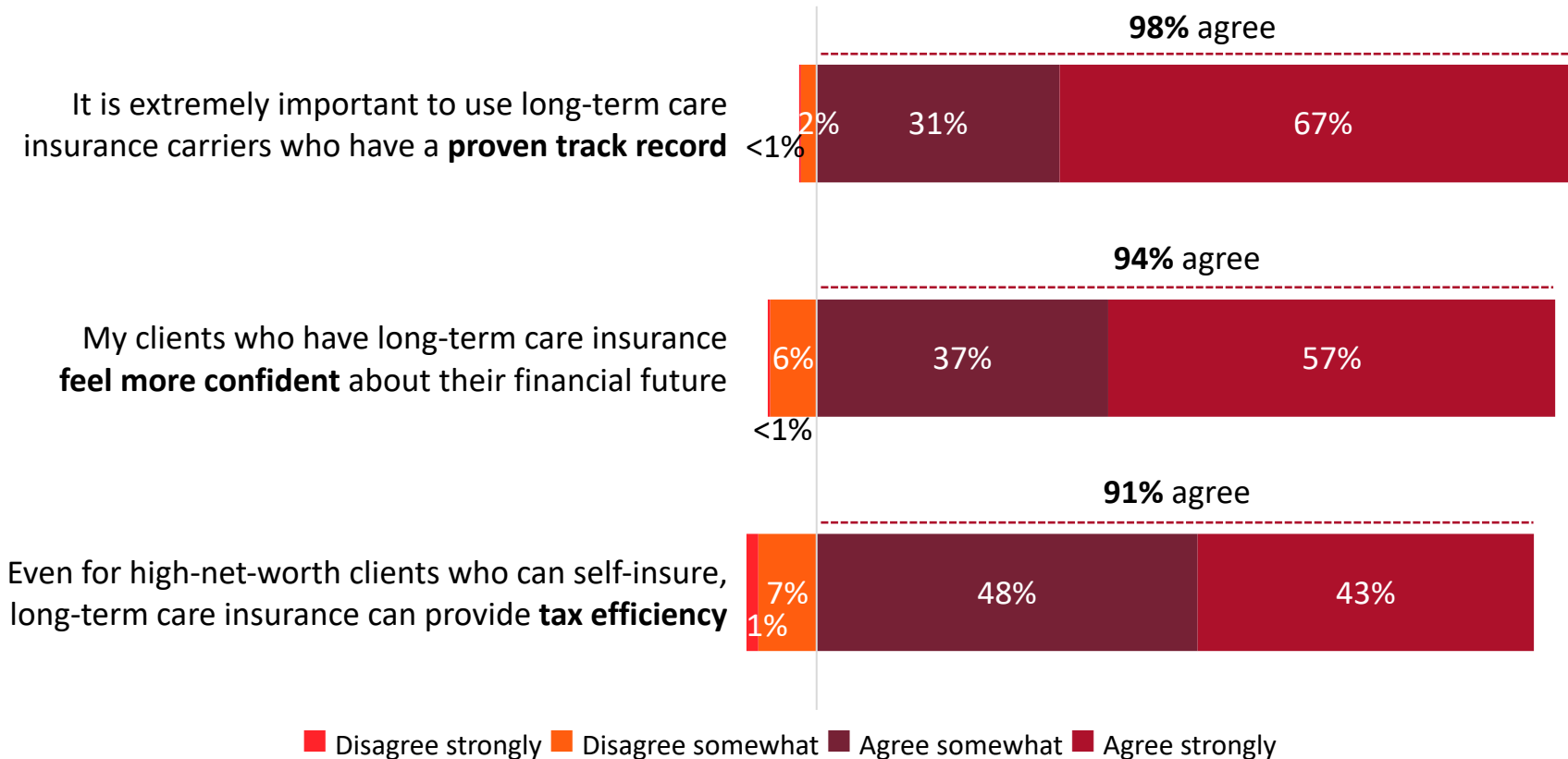
14. How valuable [do you feel it would be/is it] to meet clients along with their children, loved ones, or potential caregivers? (n=405) 15. [IF MEETS CLIENTS WITH LOVED ONES] How much has including children, loved ones, or potential caregivers in client meetings helped you increase your business pipeline? Significantly; Moderately; Just a little; Not at all. (n=398)

# Long-Term Care Insurance

## Financial Professionals

# Financial Professionals believe that LTC insurance boosts confidence and can provide tax efficiency.

## The Value of Long-Term Care Insurance

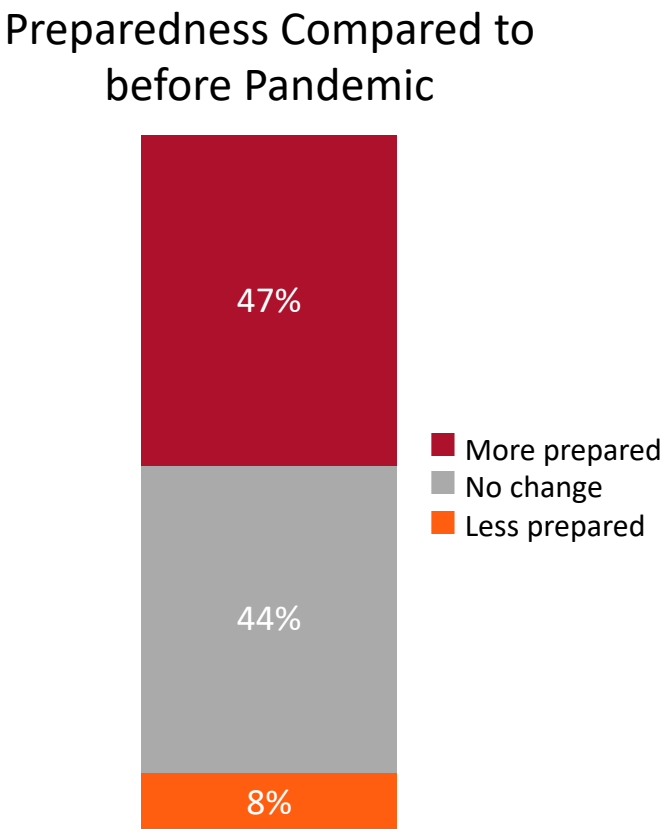
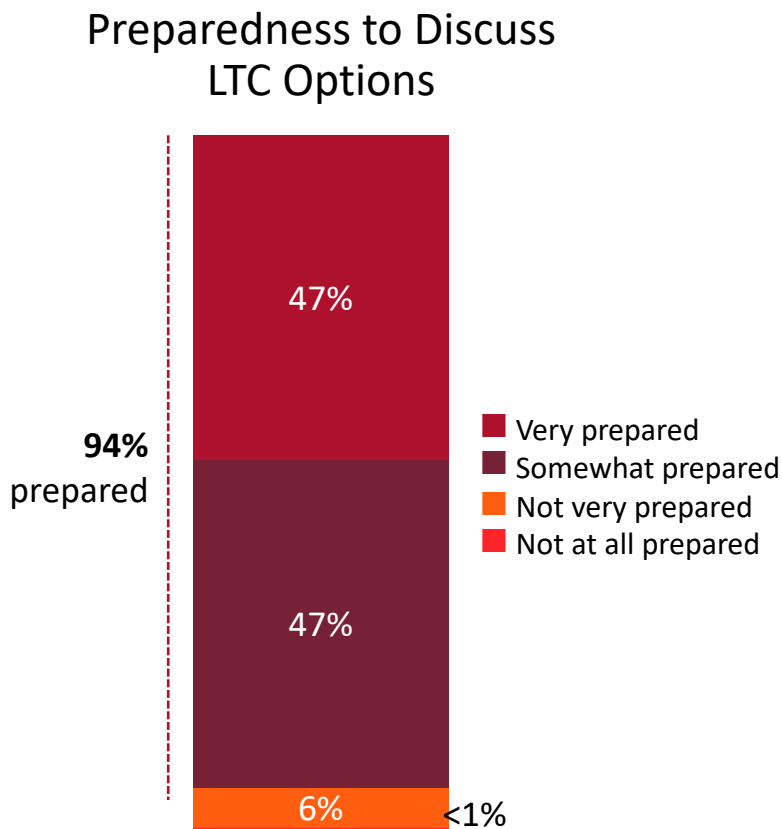


40a–c. How much do you agree or disagree with each of the following statements? (n=405)



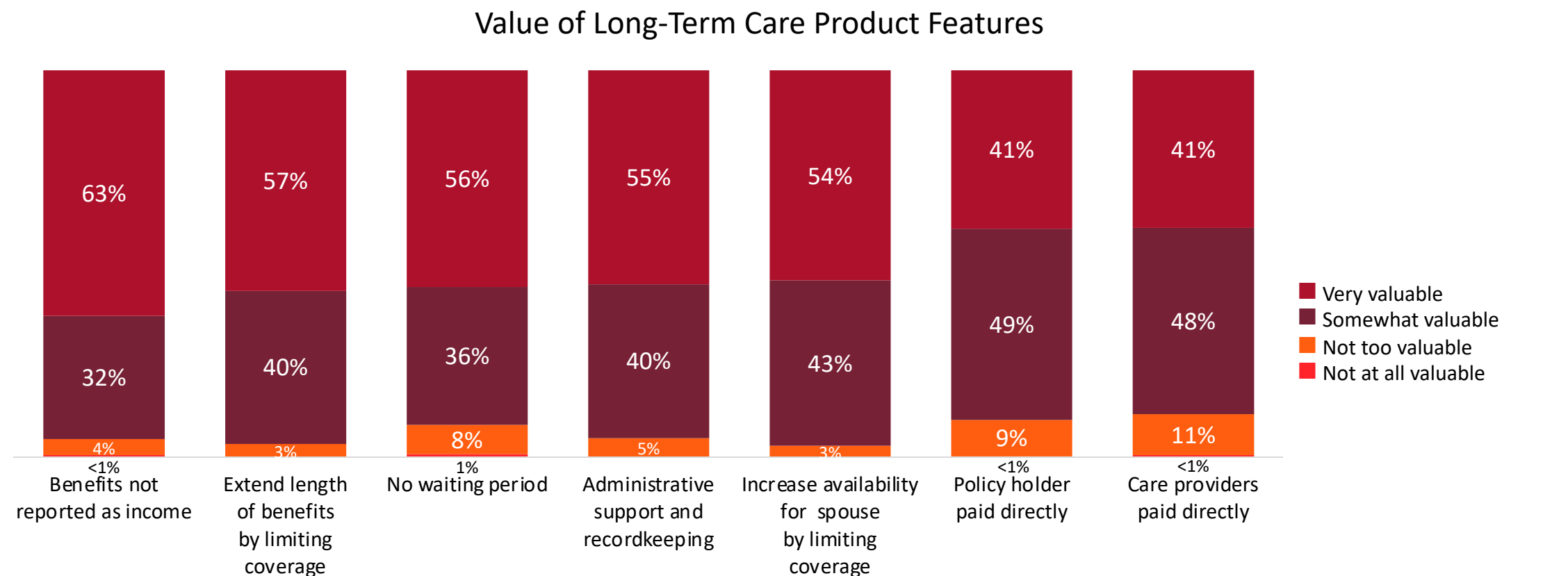
# Only half of financial professionals feel fully prepared to advise their clients on all the long-term care planning options currently available.

**69%**  
of financial professionals  
**have sold** LTC  
coverage in the  
past two years



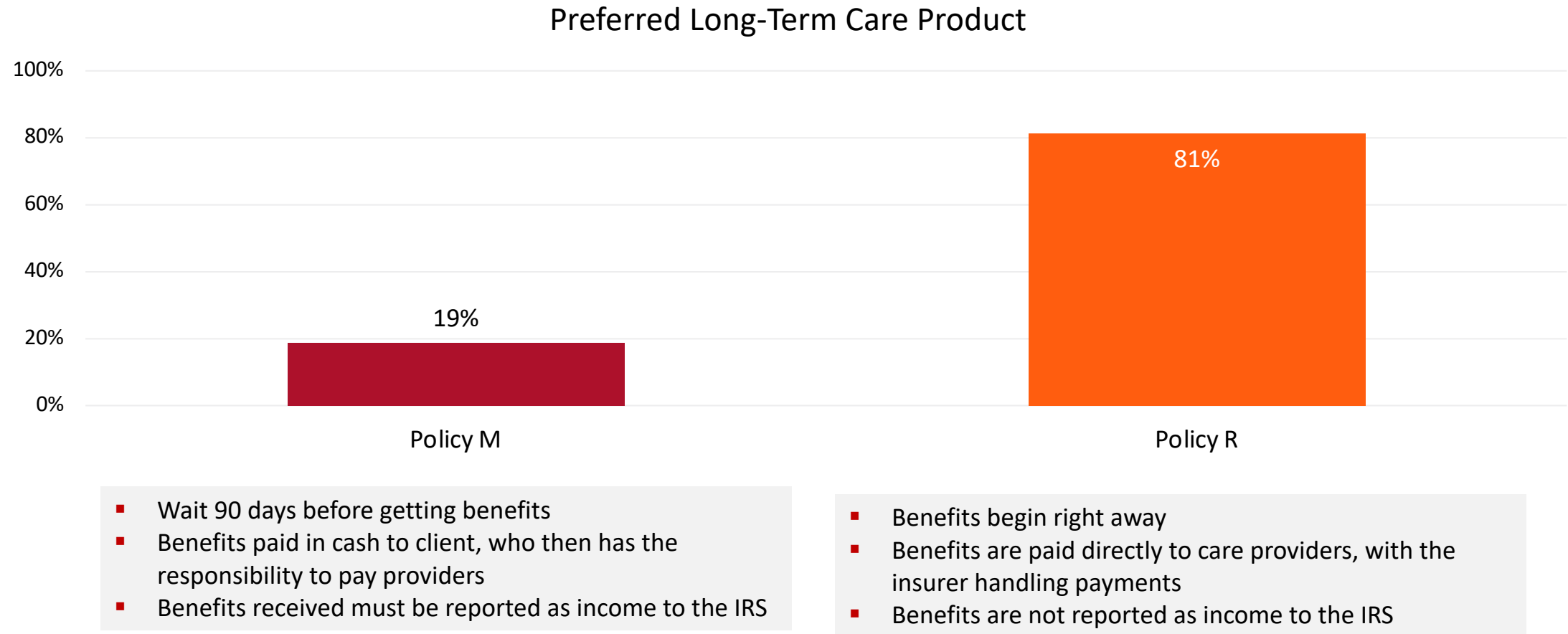
39. Have you sold any type of LTC insurance coverage to your clients in the past two years? 41. If a client came to you today wanting to incorporate potential long-term care needs into their financial planning, how prepared do you feel to advise them about all the options available to them? 42. How do you feel now compared to before the pandemic? I feel more prepared now than before the pandemic; No change; I feel less prepared now than before the pandemic. (n=405)

# Out of seven LTC product features tested, the most valuable is having benefits not reported to the IRS as taxable income.



43. There are different ways that long-term care insurance can pay for care. Consider the features you would want to recommend for clients in long-term care insurance coverage. Please rate the value of each of these features. d. Benefits do not have to be reported to the IRS as taxable income; f. Coverage of qualified costs that can extend the length of benefits; c. No waiting period for benefits; e. A policy that provides administrative support and hassle-free record keeping; g. Coverage of qualified costs that might increase benefits available for a spouse's care; a. Benefits paid directly to client instead of to the care providers; b. Care providers paid directly. (n=405)

# Financial professionals would much rather offer a product that pays non-taxable benefits vs. a product that would pay clients directly.



44. Taking everything into consideration with the advantages and disadvantages of each, which long-term care insurance policy would you rather offer to clients... (n=405)

# Consumers

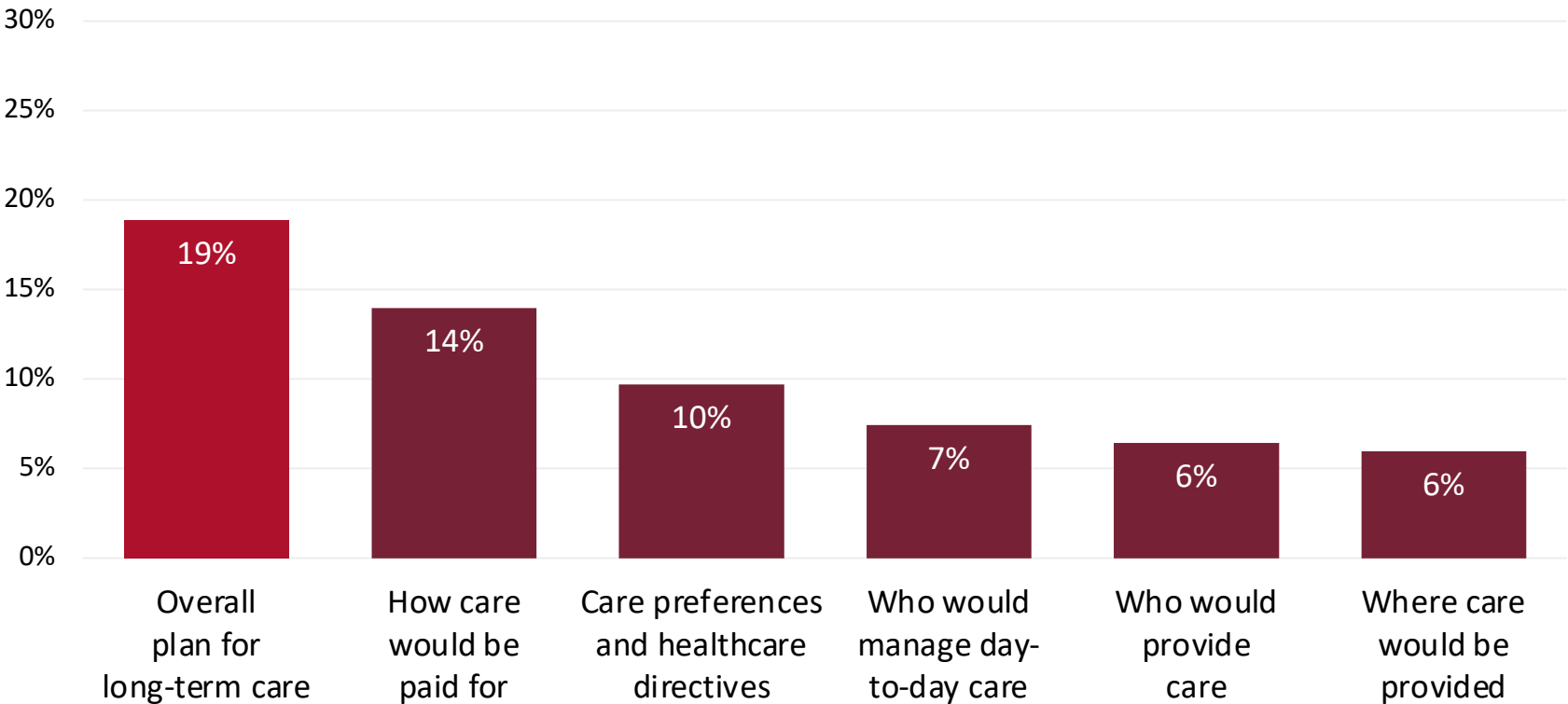
# Planning for & Talking about Long-Term Care

## Consumers

# Nearly all Americans agree it is important to plan for long-term care, but fewer than one in five have done so.

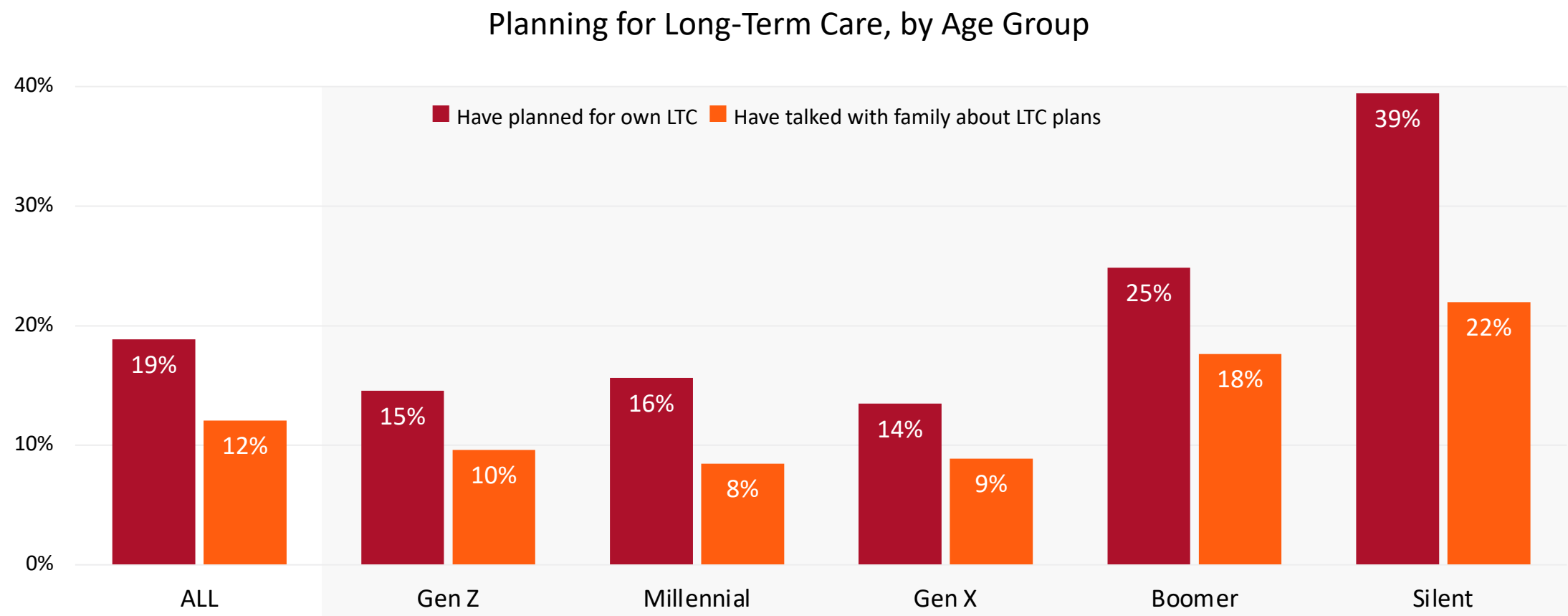
Percentage of Consumers Planning for Long-Term Care

**96%**  
feel it is important to  
plan for long-term  
care in advance of  
needing it



16. How important do you feel it is to plan for long-term care in advance of needing it? [VERY IMPORTANT/SOMEWHAT IMPORTANT] 17. Have you specifically planned for your own long-term care? [YES] 18. [BASE: ALL] Which of the following have you specifically planned for? Please select all that apply. How it would be paid for; My care preferences and healthcare directives; Who will manage day-to-day aspects of my care; Who would provide it; Where it would be provided. (n=1,003)

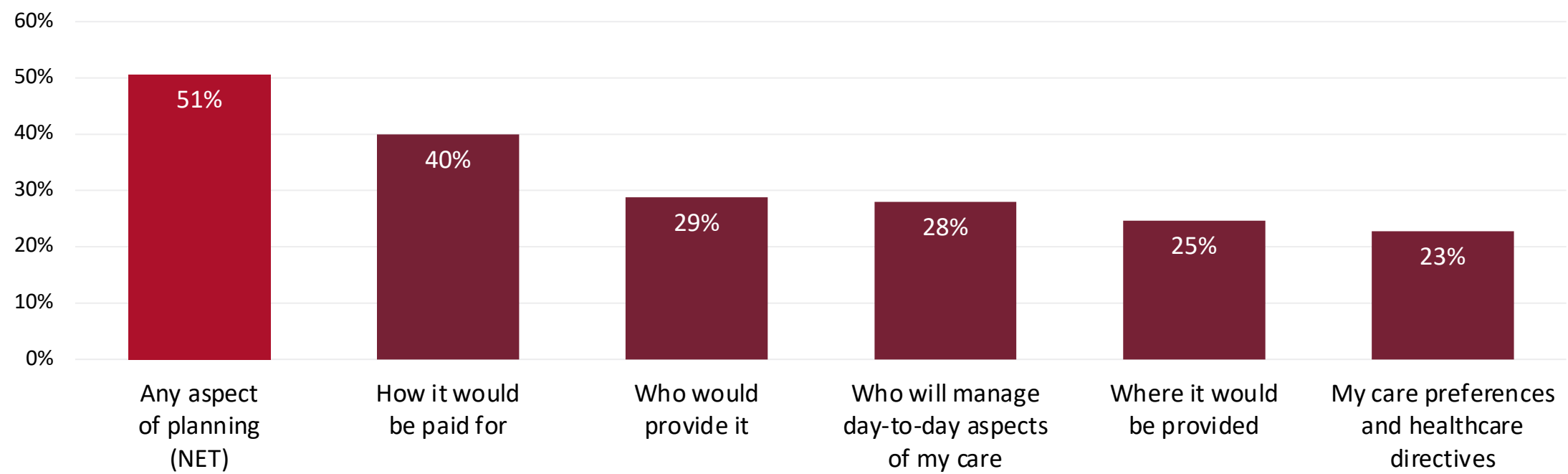
# Even among older Americans, a majority have not planned for long-term care, and even fewer have talked with family.



17. Have you specifically planned for your own long-term care? [YES] 19. [BASE: ALL] Have you discussed your plans for long-term care with your family? [YES] (n=1,003 all; n=107 Generation Z; n=264 Millennial; n=258 Generation X; n=338 Baby Boomer; n=36 Silent Generation)

# The pandemic could foster more conversations. Half say it made them think more about long-term care planning.

Pandemic Impact:  
Thinking More about...  
(multiple select)

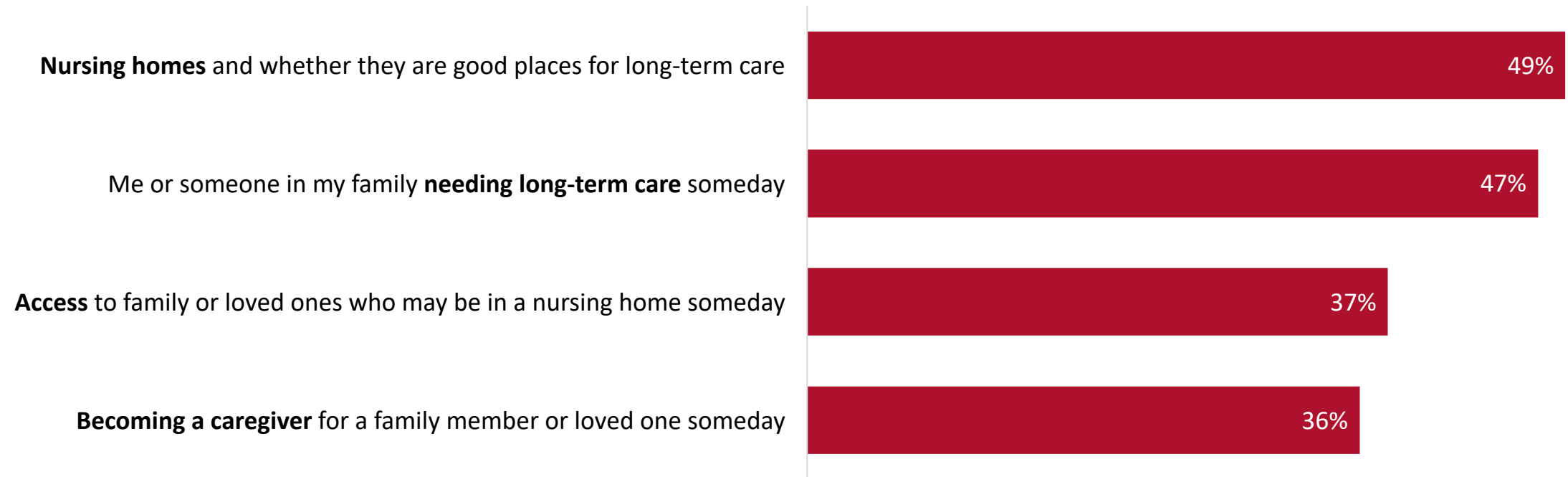


36. Has the pandemic made you think more about the importance of planning for long-term care? 37. [BASE: ALL] Which of the following have you specifically started thinking more about? Please select all that apply. (n=1,003)



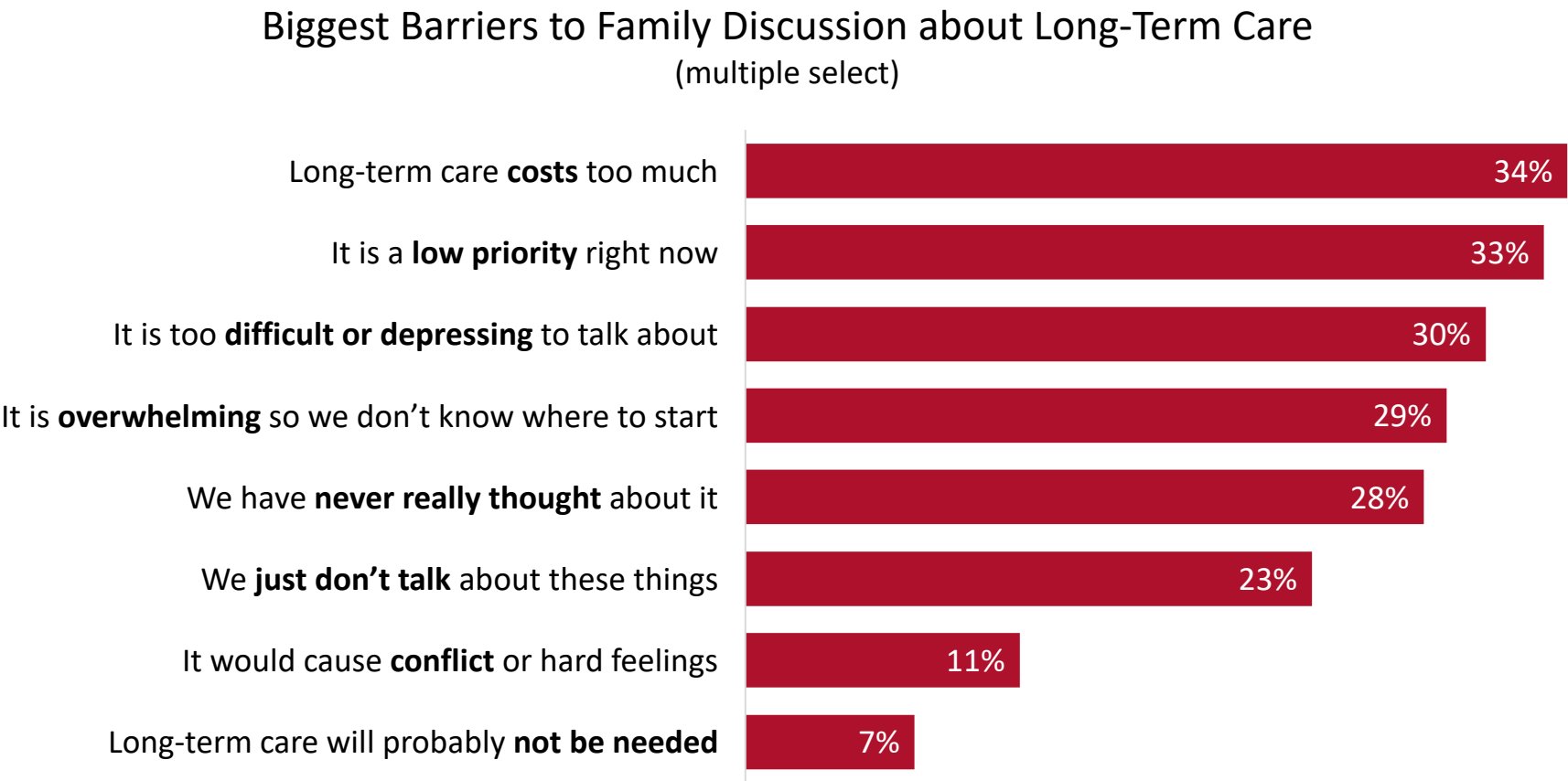
# The pandemic also intensified worries about long-term care, including the prospect of dealing with nursing homes and caregiving.

Pandemic Impact:  
Thinking More about...  
(multiple select)



35. Has the pandemic changed your perceptions or thinking about long-term care in any of the following ways? Please select all that apply. I now worry more about... (n=1,003)

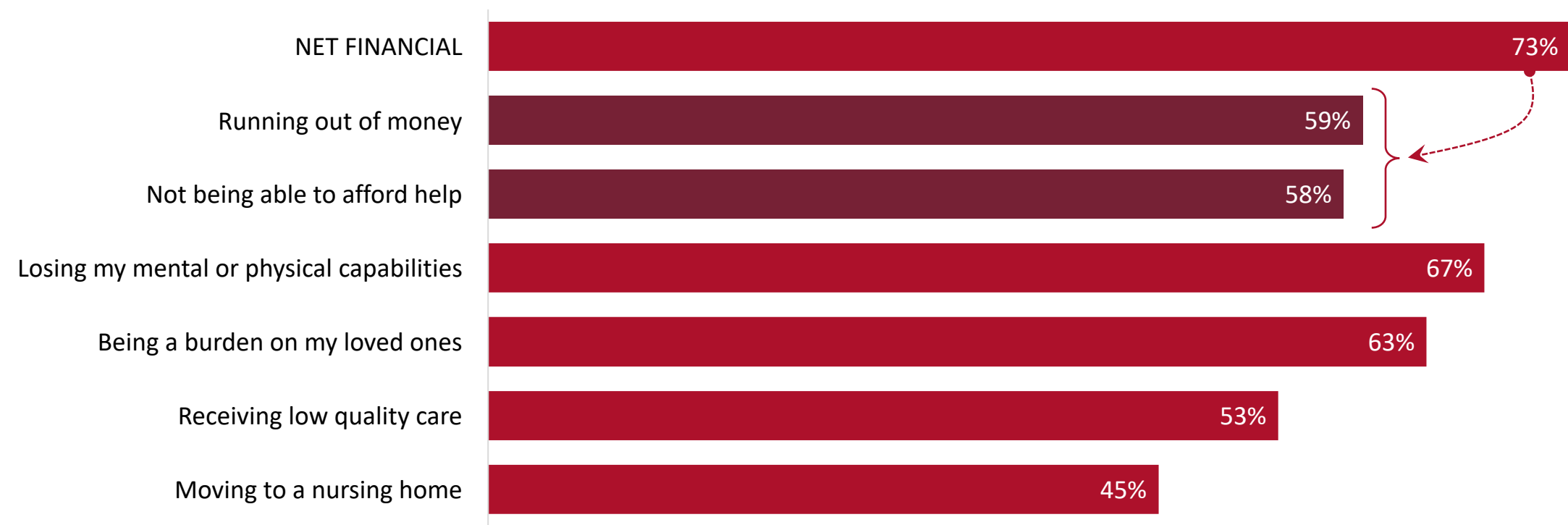
# Top reasons for not talking about long-term care with family are cost and it being a low priority.



20. What are the biggest barriers to talking about long-term care in your family? Please select all that apply. (n=1,003)

# Thinking about the future and their potential need for long-term care, Americans worry about money more than anything else.

Biggest Fears about Needing Long-Term Care  
(multiple select)



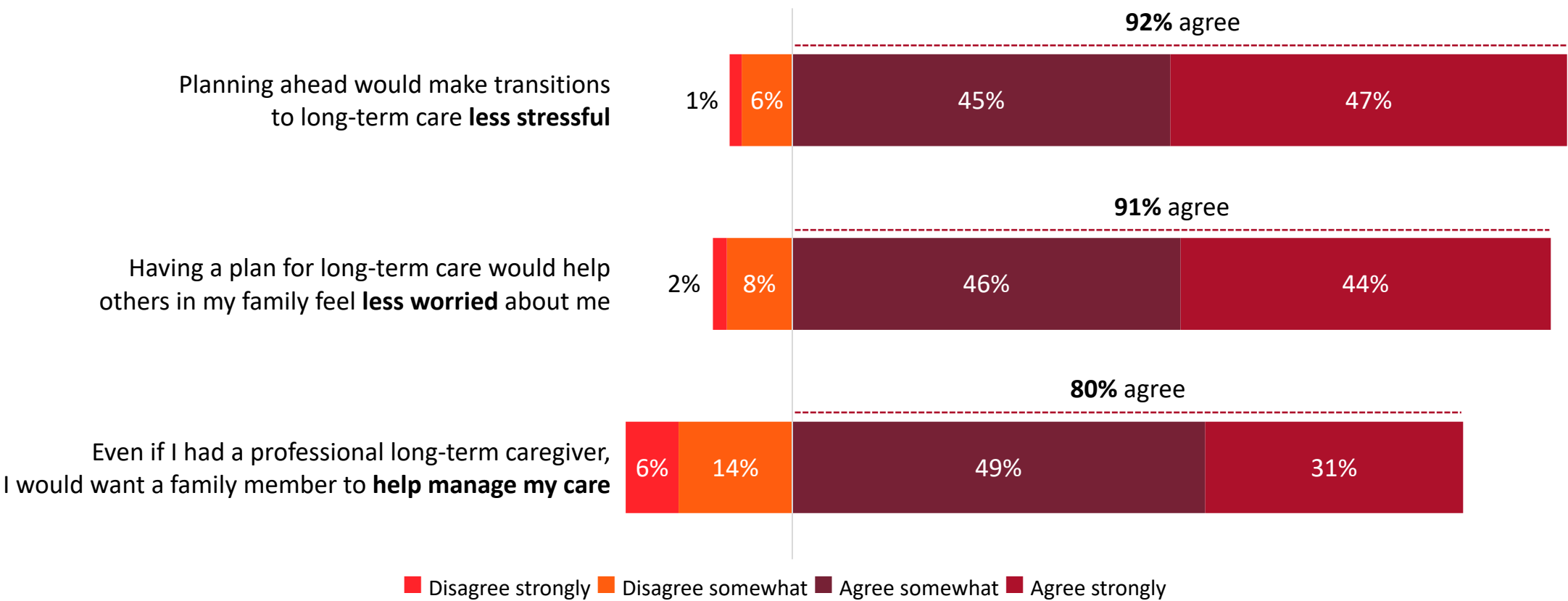
13. What are your biggest fears about needing long-term care someday? Please select all that apply. (n=1,003)

# Making Things Easier for Families

## Consumers

# Large majorities agree that long-term care plans (and having family involved) would alleviate worries and reduce stress.

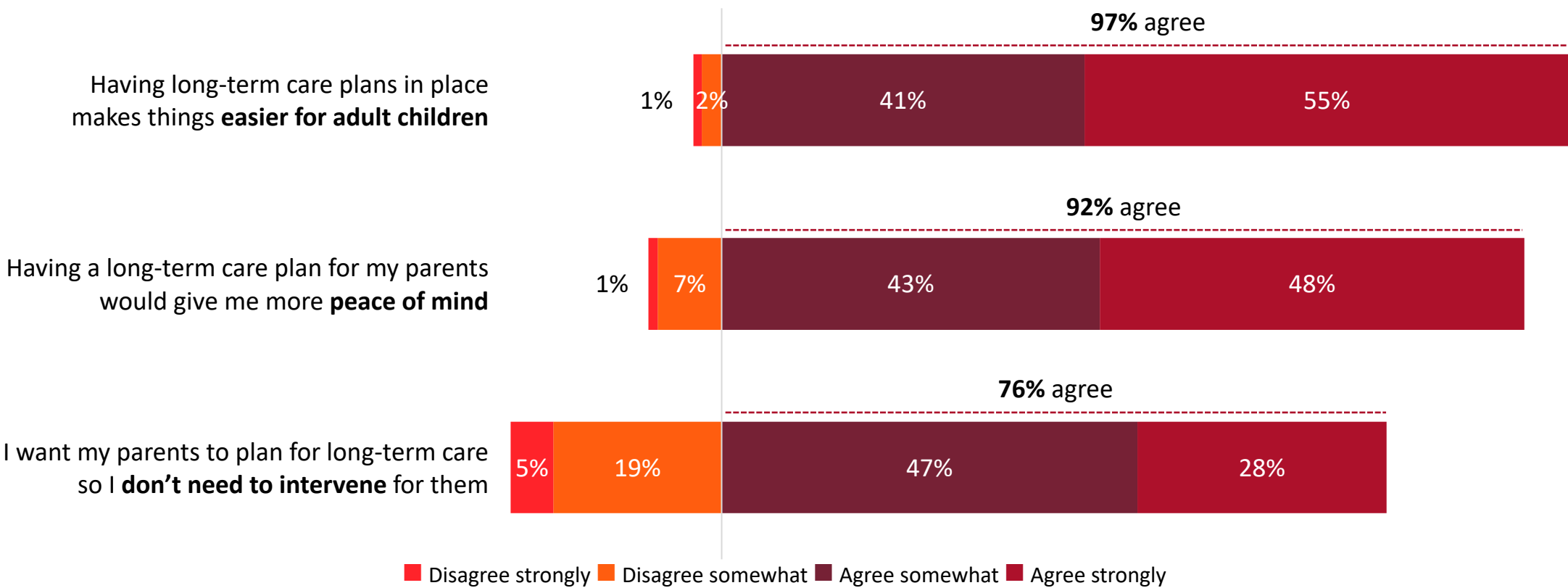
Impact of Long-Term Care Planning



How much do you agree or disagree with each of the following statements? 15g. Planning ahead would make transitions to long-term care less stressful; 28b. Having a plan for long-term care would help others in my family feel less worried about me; 12c. Even if I had a professional long-term caregiver, I would want a family member to help manage my care. (n=1,003)

# Planning make things easier for adult children, and most want their own parents to have a plan in place.

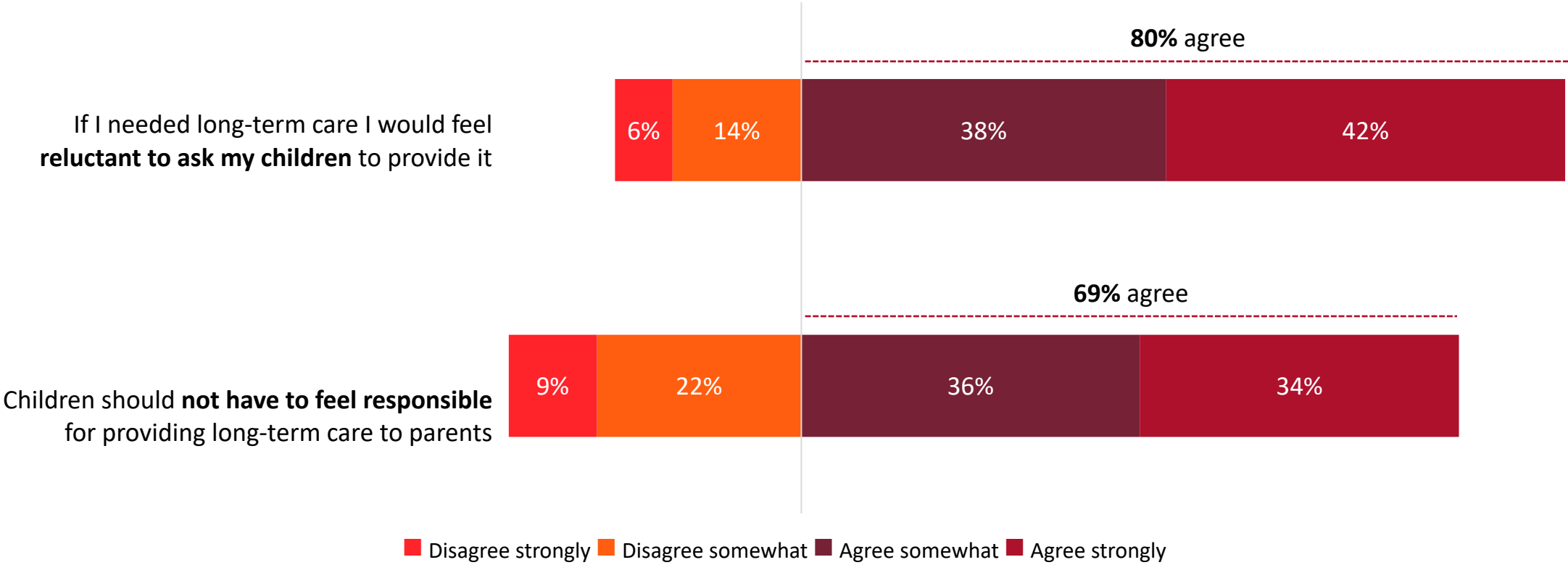
Impact of Planning on Adult Children



28. How much do you agree or disagree with each of the following statements? c. Having long-term care plans in place makes things easier for adult children; e. Having a long-term care plan for my parents would give me more peace of mind; d. I want my parents to plan for long-term care so I don't need to intervene for them. (n=1,003)

# A large majority of Americans do not want their kids feeling they need to take responsibility for long-term care in the future.

Involvement of Adult Children in Long-Term Care

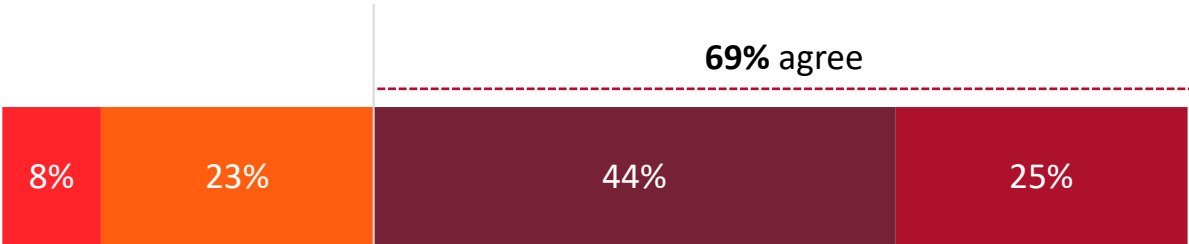


12. How much do you agree or disagree with each of the following statements? a. If I needed long-term care, I would feel reluctant to ask my children to provide it; b. Children should not have to feel responsible for providing long-term care to parents. (n=1,003)

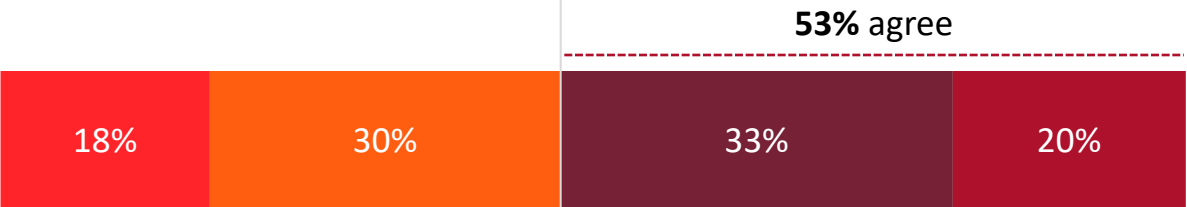
# Adult children worry about having to take on the responsibility of providing long-term care for parents.

## Providing Care for Parents and Family

I worry that I would not be able to provide **adequate care** if somebody in my family needed it



I **hope I don't** end up being a caregiver for my parents



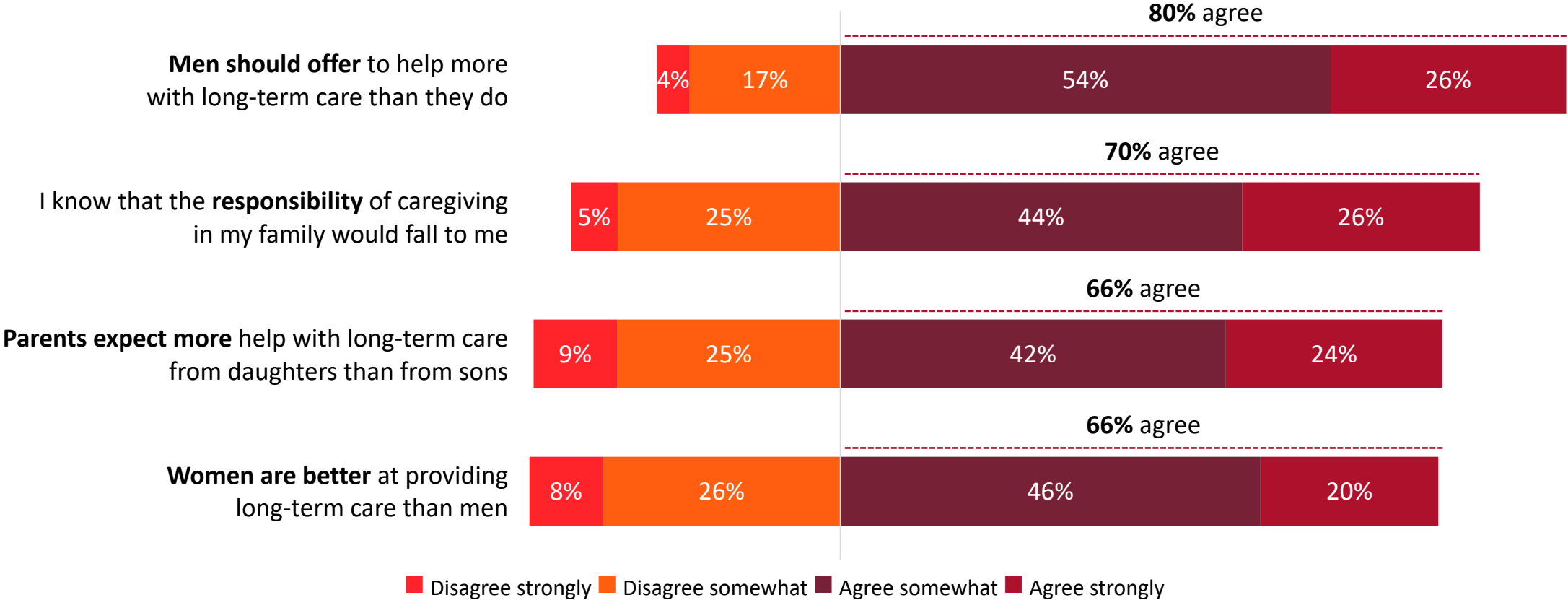
■ Disagree strongly ■ Disagree somewhat ■ Agree somewhat ■ Agree strongly

How much do you agree or disagree with each of the following statements? 28a. I worry that I would not be able to provide adequate care if somebody in my family needed it; 15b. I hope I don't end up being a caregiver for my parents. (n=1,003)



# Large majorities agree that the burden of family caregiving falls disproportionately on women.

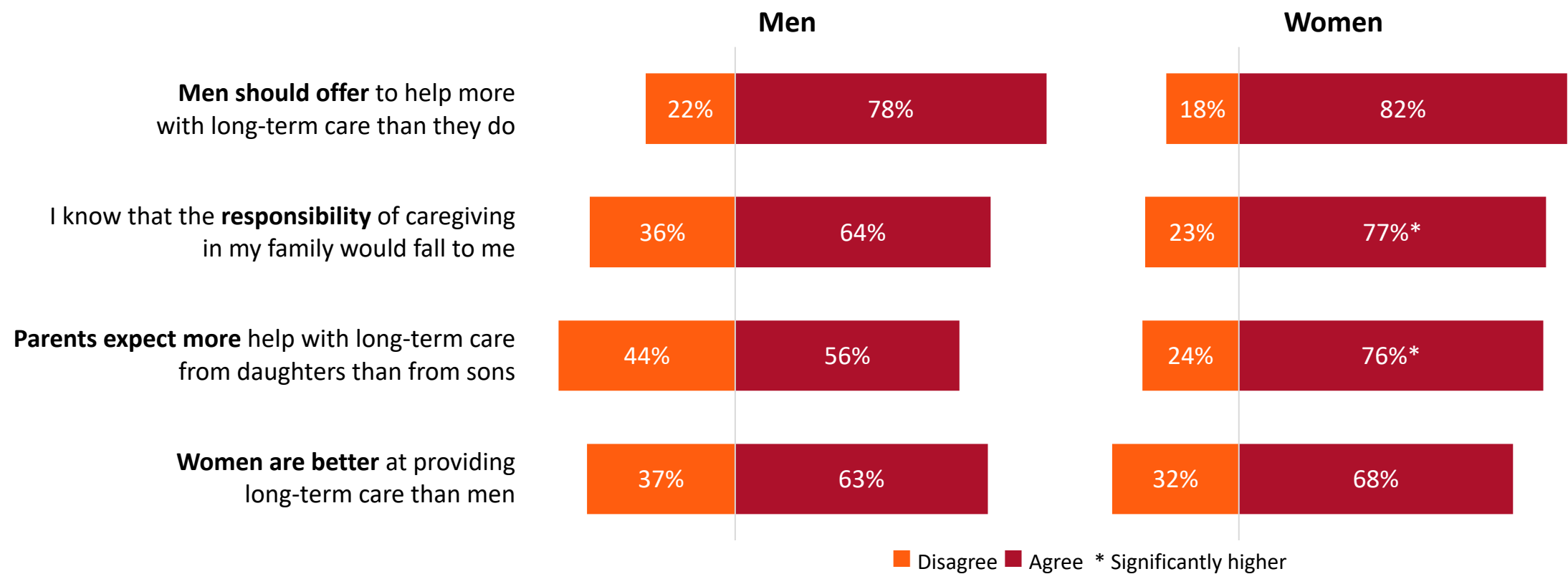
Gendered Expectations around Long-Term Care



15. How much do you agree or disagree with each of the following statements? d. Men should offer to help more with long-term care than they do; a. I know that the responsibility of caregiving in my family would fall to me; e. Parents expect more help with long-term care from daughters than from sons; c. Women are better at providing long-term care than men. (n=1,003)

# Women feel more is expected of them (which men acknowledge, as well). Both agree that men should help more.

Gendered Expectations around Long-Term Care

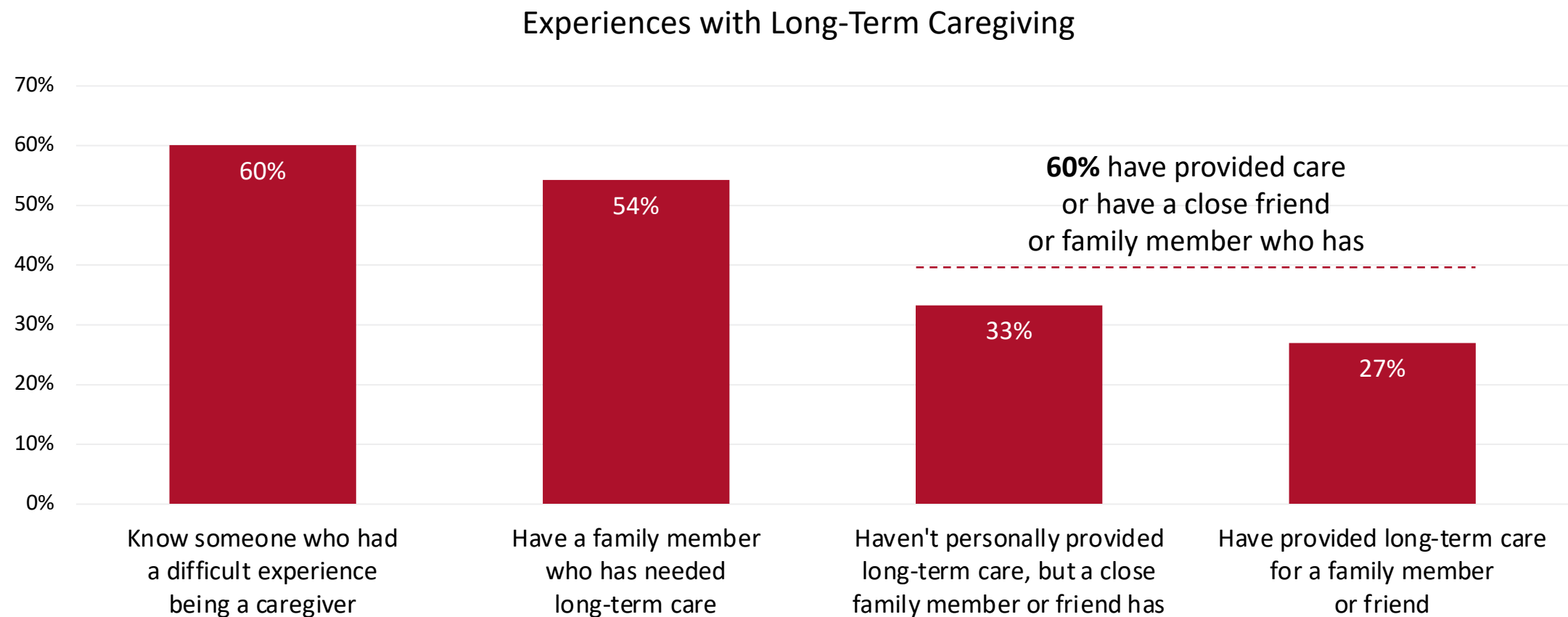


15. How much do you agree or disagree with each of the following statements? d. Men should offer to help more with long-term care than they do; a. I know that the responsibility of caregiving in my family would fall to me; e. Parents expect more help with long-term care from daughters than from sons; c. Women are better at providing long-term care than men. (n=474 men; n=529 women)

# The Challenges of Providing Long-Term Care

## Consumers

# Most Americans have a personal connection to caregiving for long-term care needs.



15f. How much do you agree or disagree with each of the following statements? I've known someone who had a difficult experience being a caregiver. [AGREE STRONGLY/SOMEWHAT] 29. Has there been anyone in your family who has ever needed long-term care? [YES] 31. Have you, yourself ever provided long-term care for a family member or friend? [YES] 32. [BASE: ALL] Do you have a close family member or friend who has provided long-term care for someone close to them? [YES] (n=1,003)

# Americans acknowledge (& caregivers confirm) the wide range of challenges faced by family members who provide long-term care.

## Challenges of Providing Long-Term Care

Biggest Perceived Challenges of Caregiving	All Consumers	Caregivers
The <b>emotional</b> toll on caregivers	69%	76%
The <b>stress</b> it puts on their family relationships	65%	70%
The <b>physical</b> burden and difficulty of providing such care	64%	69%
The significant <b>time</b> it involves	63%	65%
The financial <b>cost</b> of providing care	67%	64%
The <b>health</b> consequences of stress from caregiving	47%	51%
Lost <b>earnings</b> from reduced professional hours	30%	32%

14. What do you think are the biggest challenges for family members who provide long-term care for loved ones? Please select all that apply. The emotional toll on caregivers; The stress it puts on their family relationships; The physical burden and difficulty of providing such care; The significant time it involves; The financial cost of providing care; The health consequences of stress from caregiving; Lost earnings from informal caregivers who reduce their professional hours. (n=1,003 all; n=287 caregivers)

# Unpaid caregiving is a full-time job, with four out of five caregivers admitting they had no idea how demanding it would be.

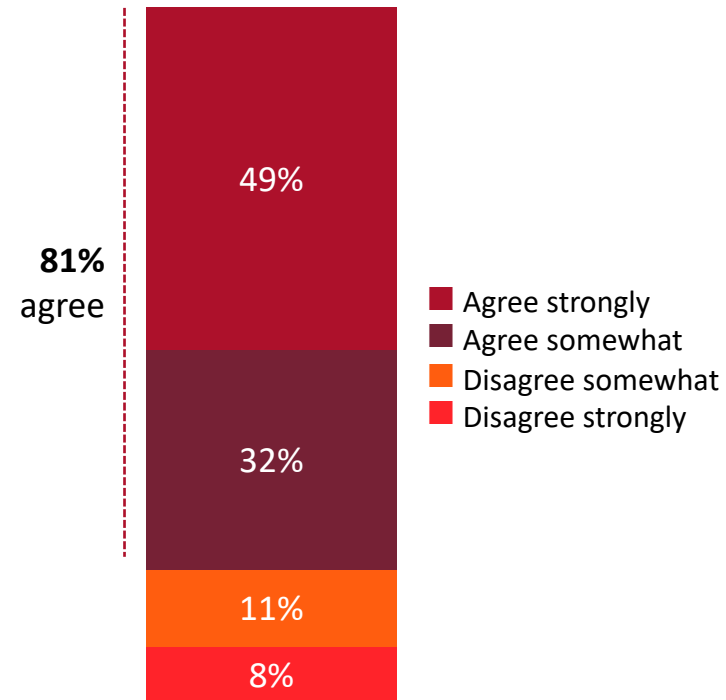
“I had no idea how demanding long-term care would be until I provided it myself”

Estimated time  
spent on unpaid  
caregiving:

**42**

**hours per week**

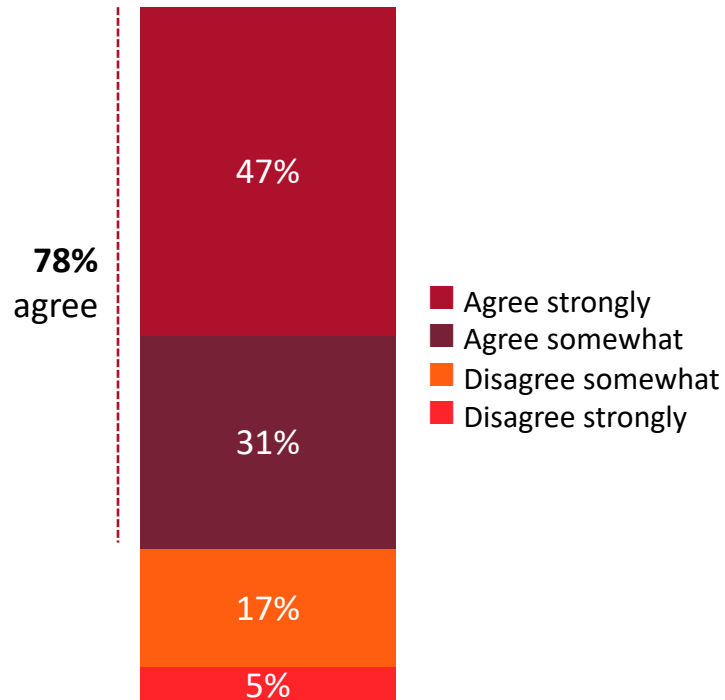
(mean estimate from  
all consumers)



30. Think about an unpaid caregiver who provides long-term care for a spouse, parent, or other family member. On average about how many hours per week would you estimate they spend providing care? [MEAN] (n=1,003)  
33a. [IF PROVIDED CARE] How much do you agree or disagree with each of the following statements? I had no idea how demanding long-term care would be until I provided it myself. (n=287)

# A large majority say insurance would have made caregiving easier and their experience has changed their own planning.

“Long-term care insurance would have made my role easier”



58%

say their experience as a caregiver **changed how they are planning** for their own future

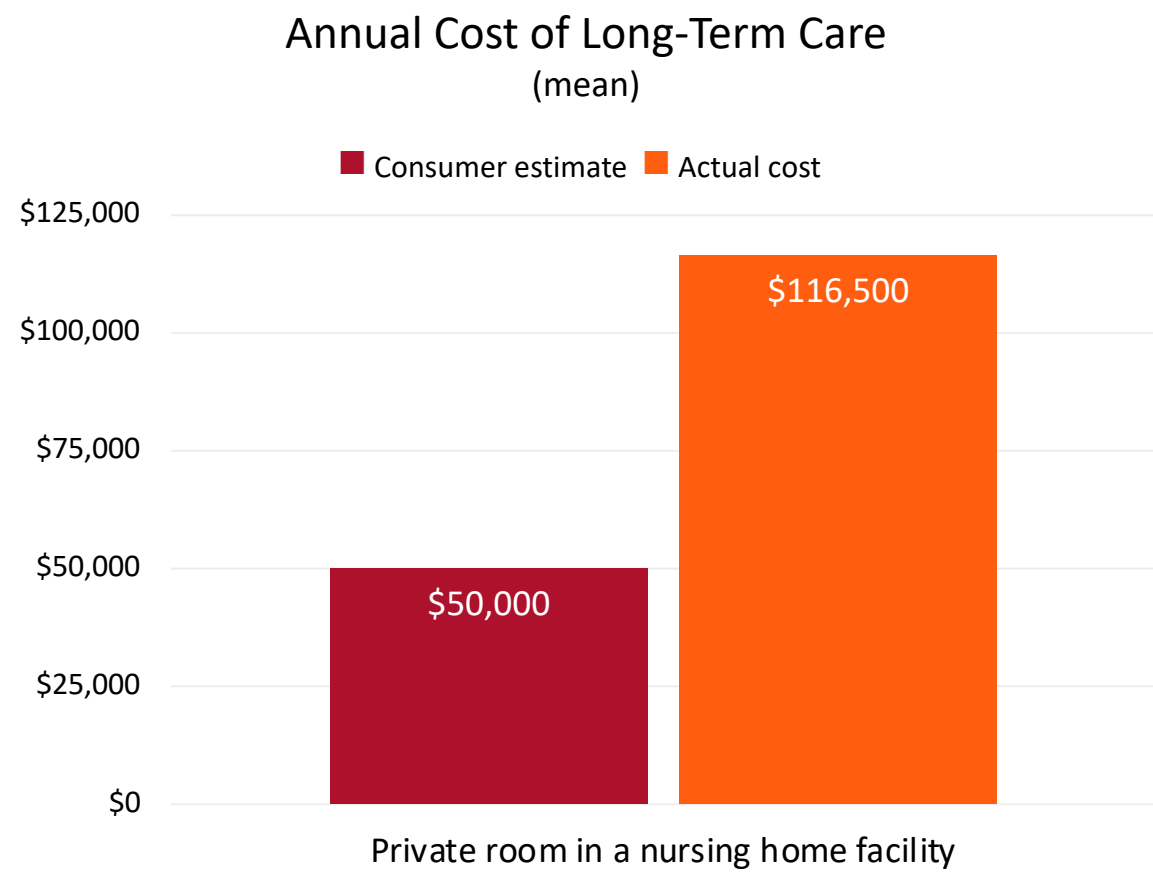
[IF PROVIDED CARE] 33b. How much do you agree or disagree with each of the following statements? Long-term care insurance would have made my role easier. 34. Did your experience as a caregiver change how you are planning for your own future? (n=287)

# Paying for Long-Term Care

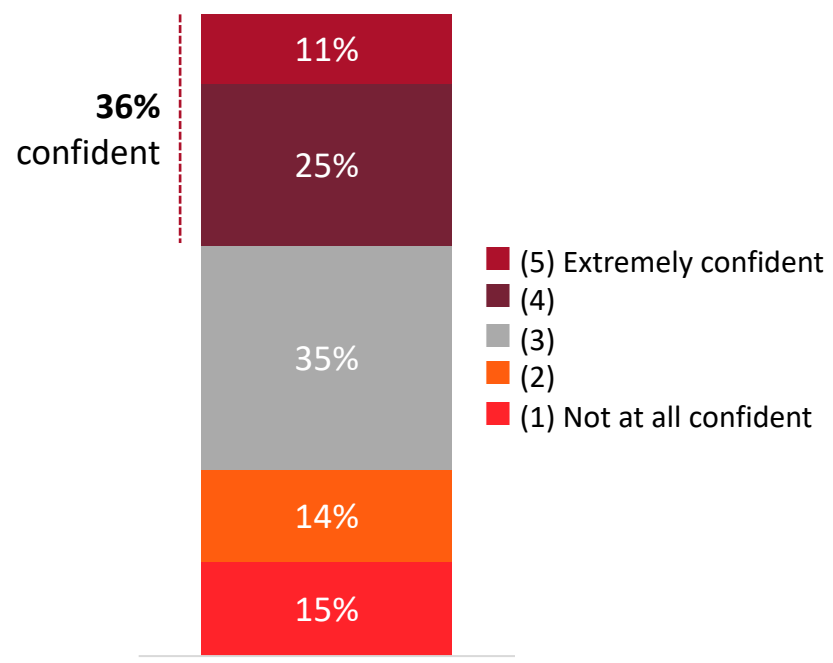
**Consumers**



# Americans far underestimate the cost of care in a nursing home, and even then, few feel confident they could afford it.

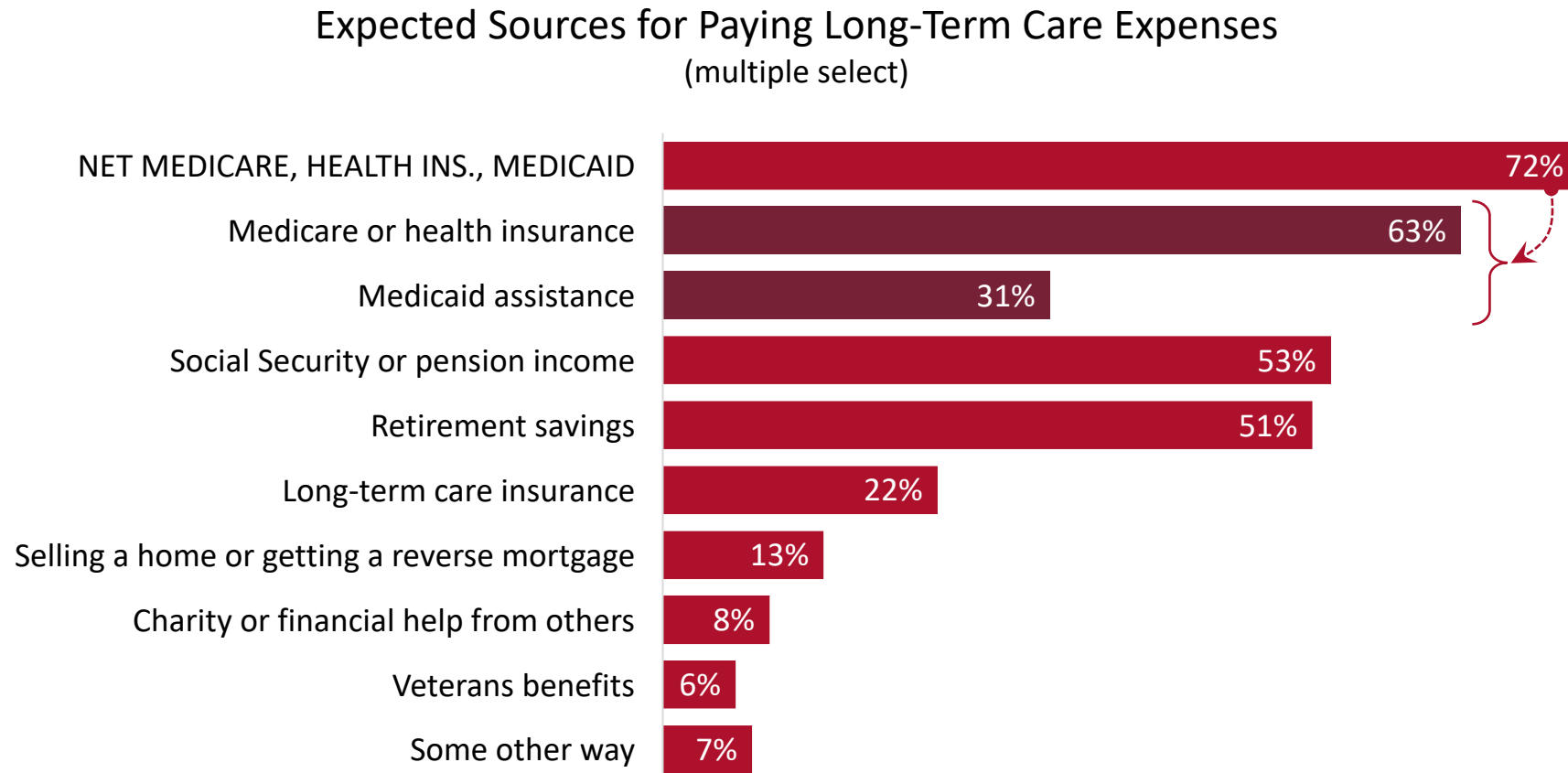


“Overall, how confident are you that you will have the financial resources to pay for long-term care expenses should the need arise?”



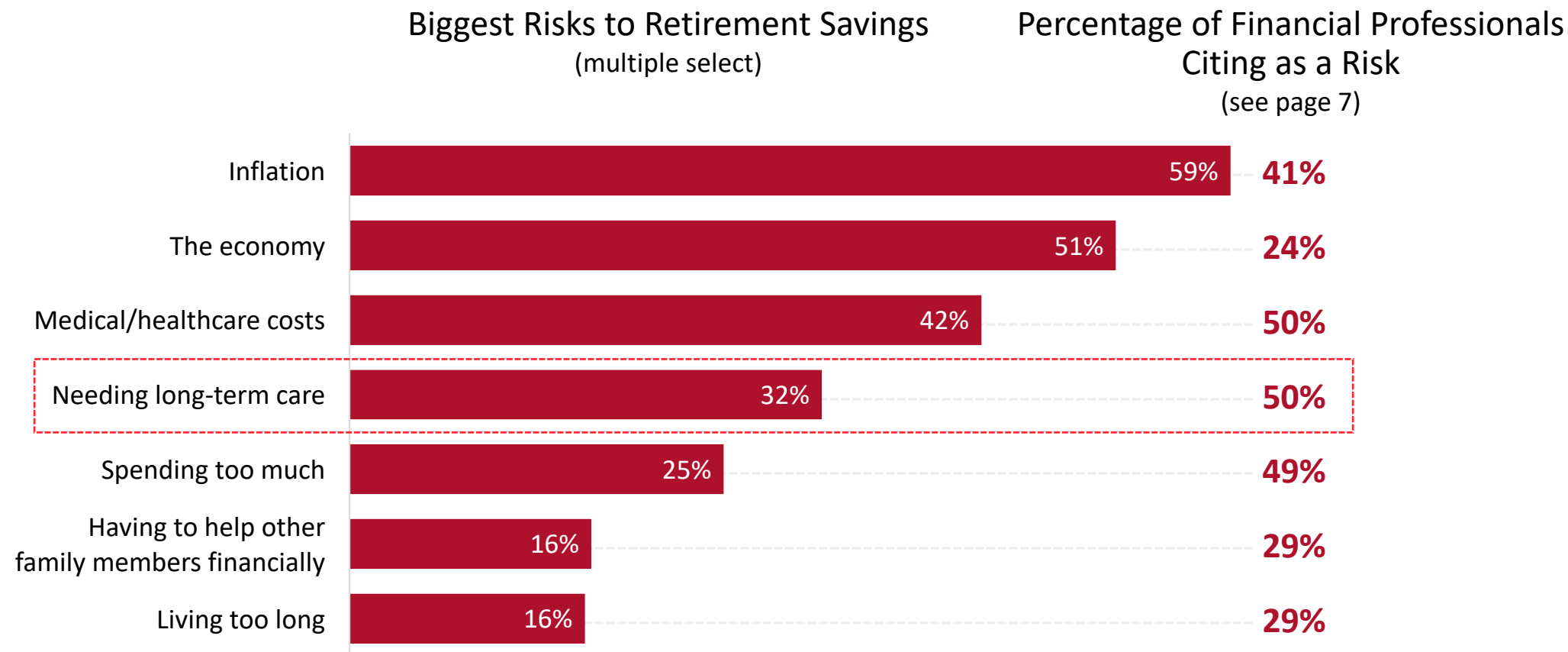
\* Illumifin, “2022 Lincoln Financial Cost of Care Survey,” March 2023  
46. What would you estimate is the average annual cost of a private room in a nursing home facility in the United States today? [MEAN ‘000] 45. Overall, how confident are you that you will have the financial resources to pay for long-term care expenses should the need arise? (n=1,003)

# Most think they can rely on healthcare coverage or Medicare for long-term care if they need it.



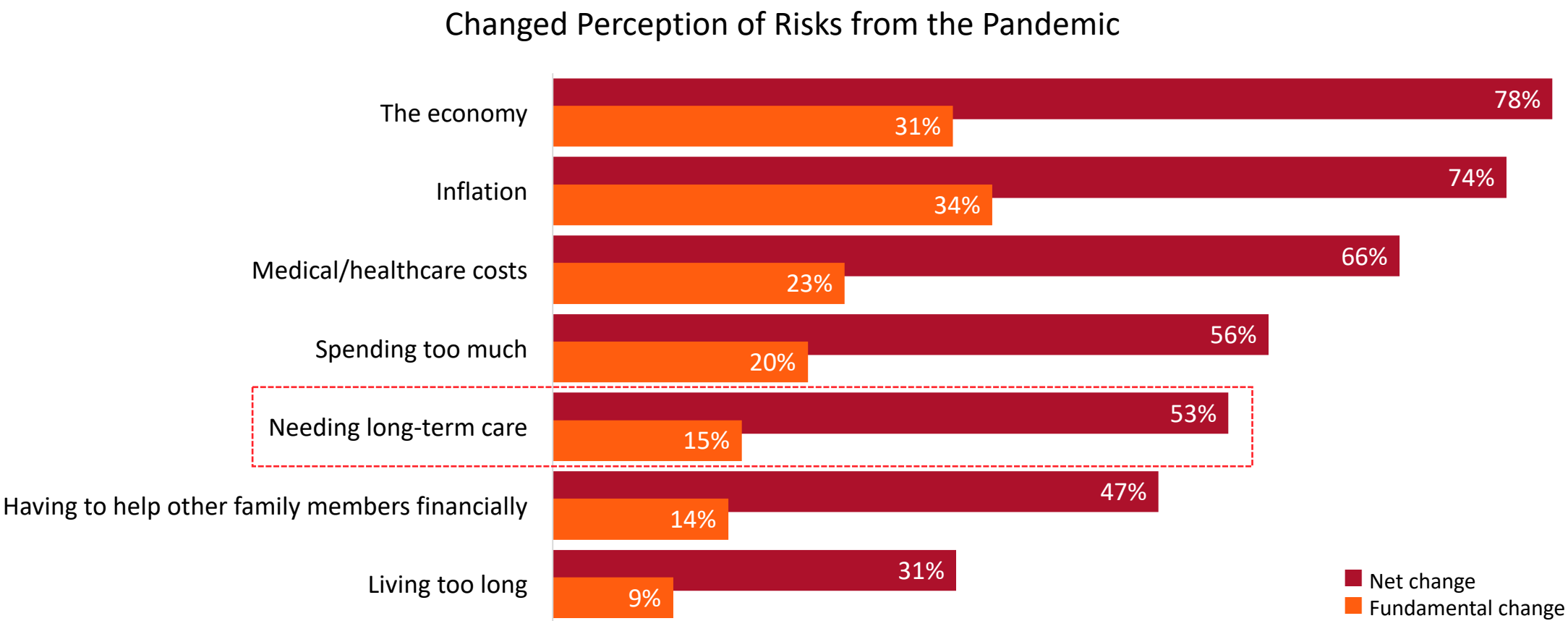
11. If you needed long-term care, how do you anticipate paying for expenses associated with your care? Please select all that apply. (n=1,003)

# Only a third of Americans see long-term care as one of the biggest threats to their retirement savings.



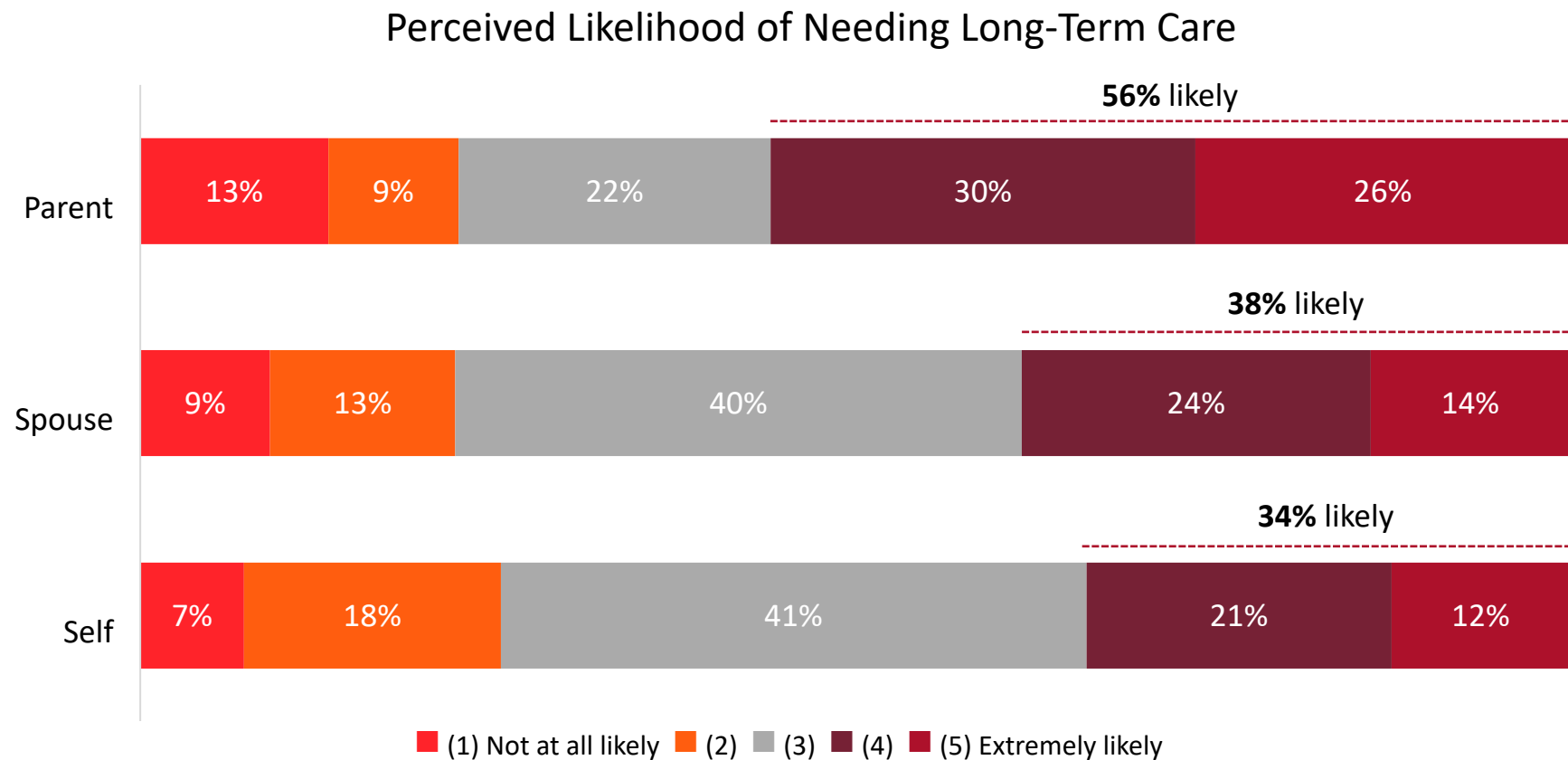
8. What do you see as the greatest risks to your savings once you retire? Please select all that apply. (n=1,003) FINANCIAL PROFESSIONAL 16. Which of the following do you perceive as the greatest risks to a person's savings once they retire? Please select all that apply. (At least one required.) Long-term care expenses. [All others same as Consumer.] (n=405)

Even so, most say that the pandemic increased their awareness of long-term care as a risk to their retirement savings.



9. How, if at all, did the pandemic change your perception of these risks? The pandemic did not change my perception of this type of risk; The pandemic made me more aware of this type of risk; The pandemic fundamentally changed how I perceive this type of risk. (n=1,003)

# Just one-third of Americans believe they will need long-term care someday, though more than half believe a parent will.

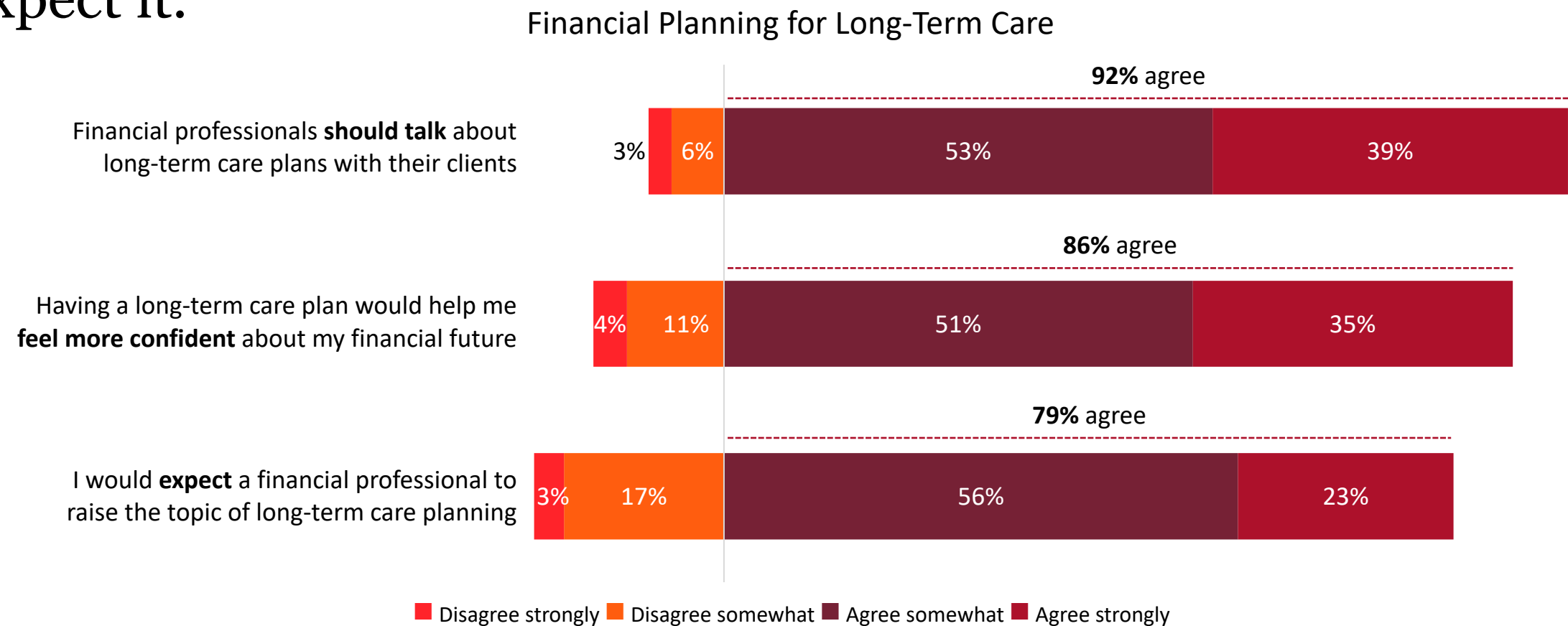


10. How likely do you feel that: a. You will need long-term care in the future; b. A parent will need long-term care in the future; c. Your spouse will need long-term care in the future. (n=1,003)

# Talking with Financial Professionals about Long-Term Care Planning & Insurance

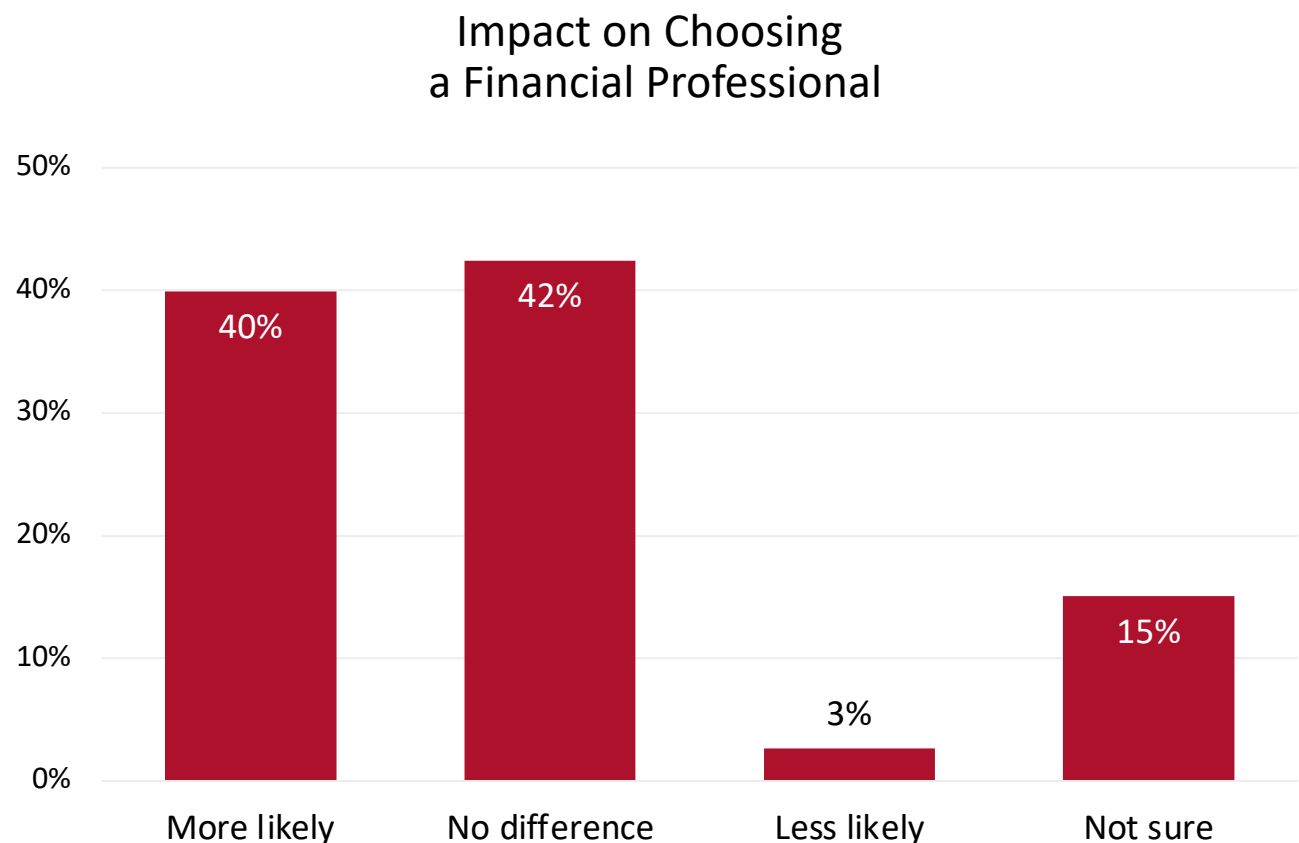
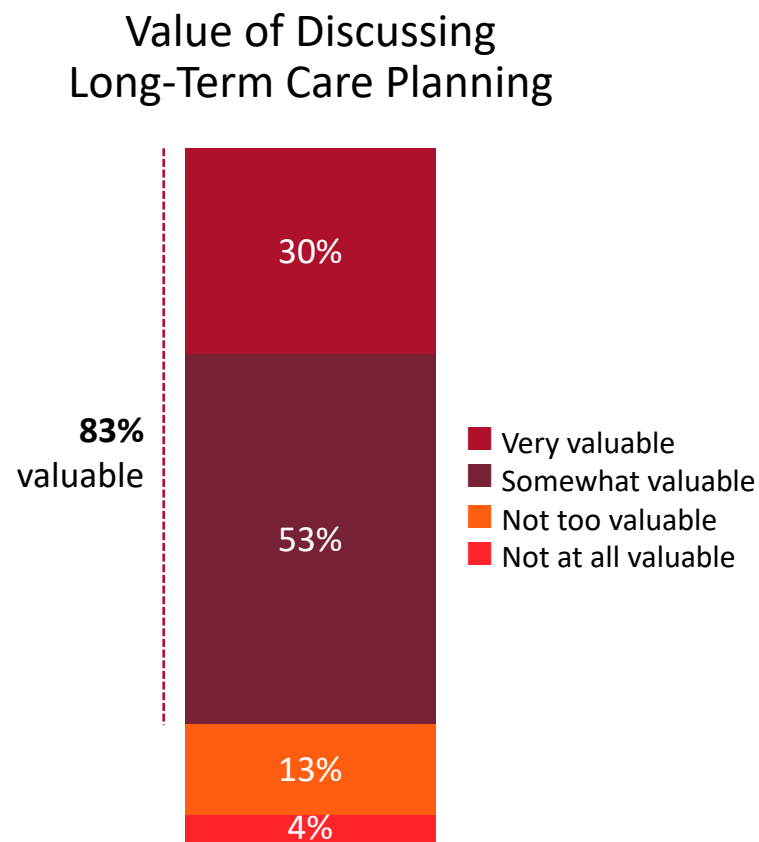
**Consumers**

Nine out of ten Americans believe financial professionals should talk about long-term care plans with their clients. Four out of five expect it.



How much do you agree or disagree with [each of] the following statement[s]? 44c. Financial professionals should talk about long-term care plans with their clients; 21. Having a long-term care plan would help me feel more confident about my financial future; 25.I would expect a financial professional to raise the topic of long-term care planning. (n=1,003)

# Two out of five say a focus on long-term care would make them more likely to choose a financial professional.

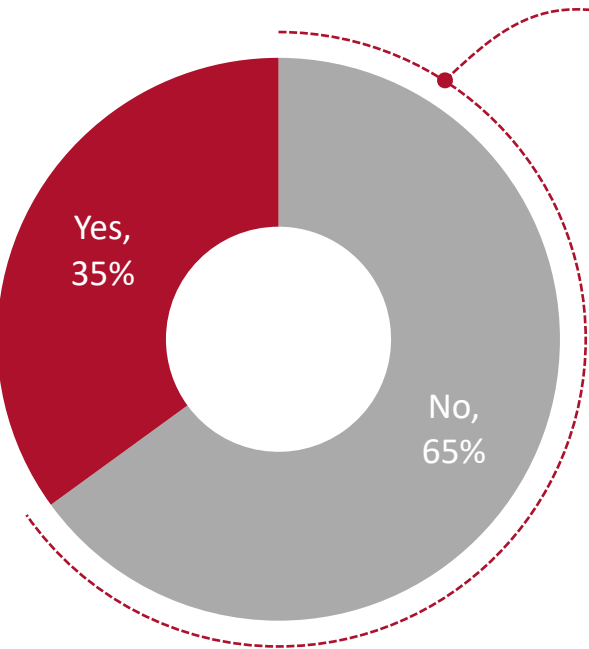


26. How valuable would it be to you to discuss long-term care planning with a financial professional 24. If a financial professional said they wanted to include long-term care planning as part of developing an overall financial plan for you, would that make you: More likely to choose them as a financial professional; Make no difference in whether you would choose them as a financial professional; Less likely to choose them as a financial professional; Not sure. (n=1,003)

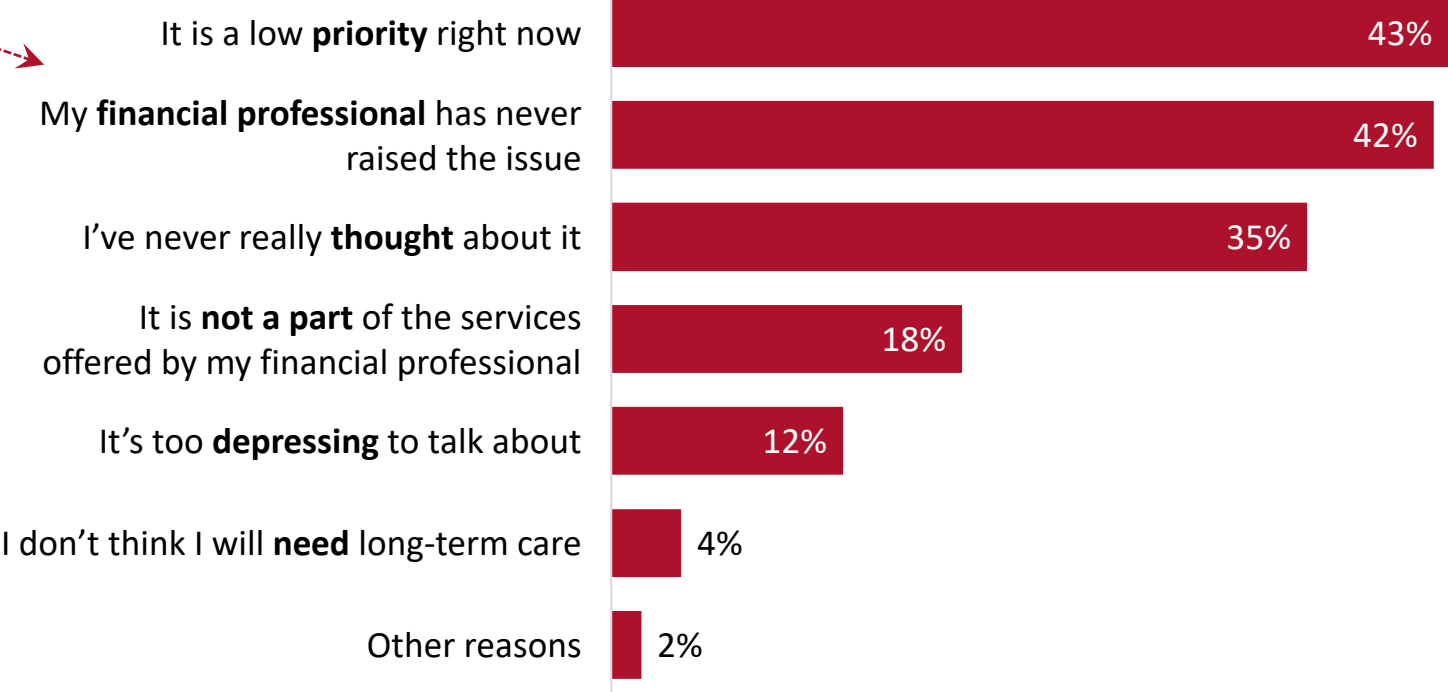


But among survey respondents with financial professionals, fewer than two out of five have discussed long-term care planning with them.

Have Discussed LTC Planning  
with Financial Professional  
(among those with financial professionals)

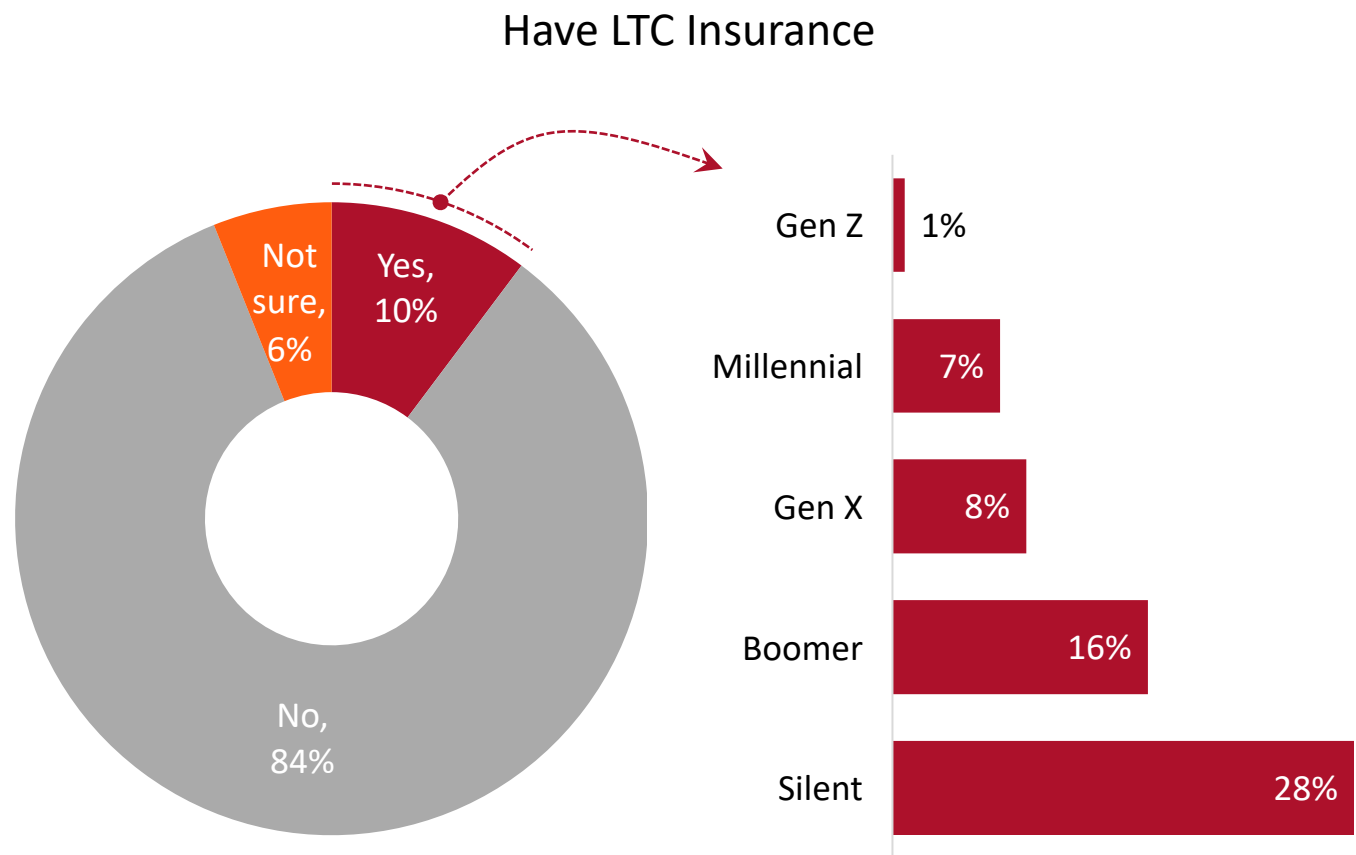


Reasons for Not Discussing  
(multiple select)  
ALSO SHOWN ON PAGE 21

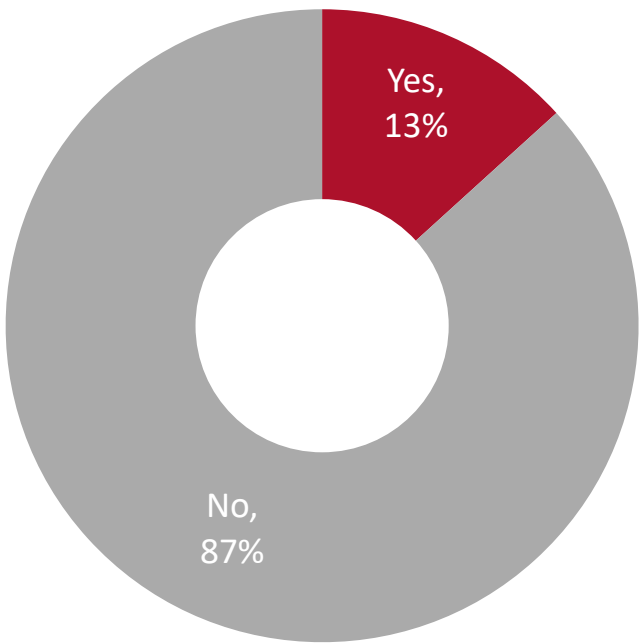


22. [IF HAS A FINANCIAL PROFESSIONAL] Have you discussed long-term care planning with your financial professional? (n=279) 23. [IF NO] Why have you not discussed long-term care planning with your financial professional? Please select all that apply. (n=184)

# One in ten survey respondents report having some sort of long-term care insurance coverage.



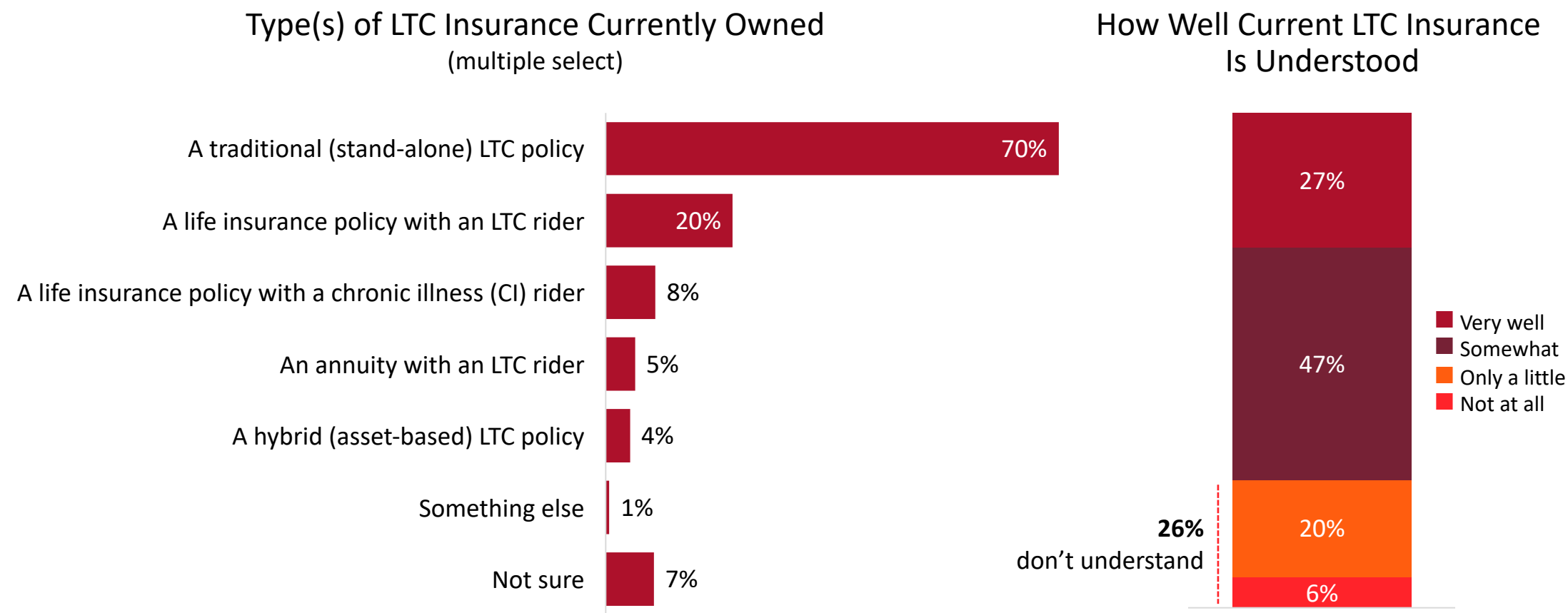
Have Considered the Tax Implications of an LTC Event



39. Do you currently have any type of long-term care (LTC) insurance? 27. Have you considered the tax implications of a long-term care event on your financial planning? (n=1,003 all; n=107 Generation Z; n=264 Millennial; n=258 Generation X; n=338 Baby Boomer; n=36 Silent Generation)

The Silent Generation refers to those born between 1928 and 1945.

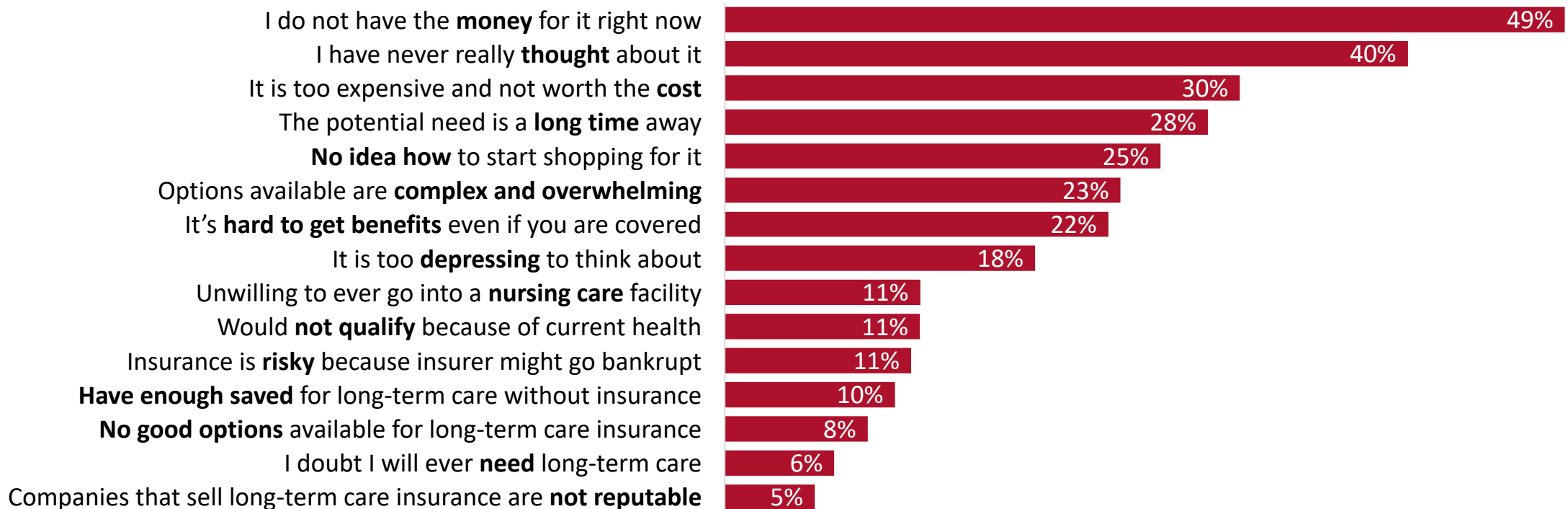
# Among those with coverage, traditional policies are most common, though one in four who have LTC insurance do not understand it.



[IF CURRENTLY HAS LTC INSURANCE] 40. What type(s) of long-term care insurance do you have? Please select all that apply. 41. How much do you understand the LTC insurance you have, including what services it will pay for, how much, and for how long? I understand it very well; I understand it somewhat; I understand it only a little; I don't understand it at all. (n=96)

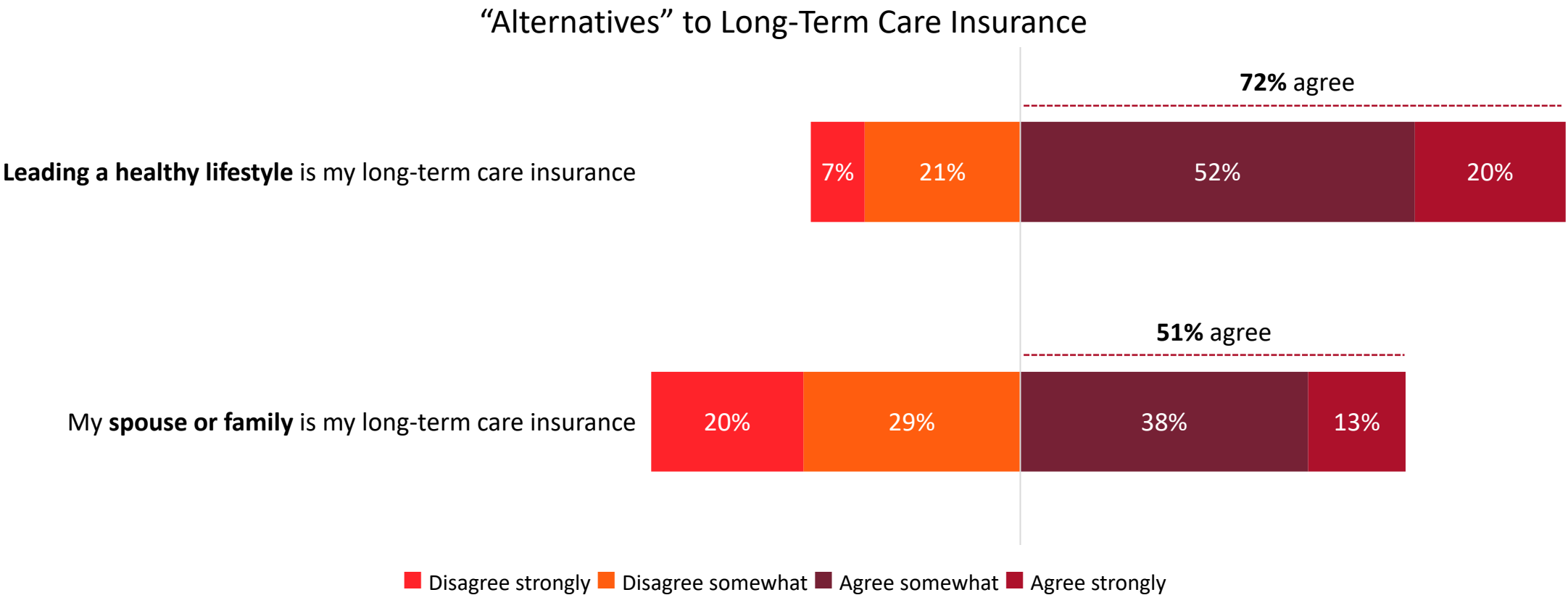
# Among the 90% of Americans without long-term care insurance, the primary reasons are economic and it being out of mind.

Reasons for Not Having Long-Term Care Insurance  
(multiple select)



42/43. [IF DO NOT HAVE LTC] Which of these, if any, are reasons you do not currently have long-term care insurance? Please select all that apply. I do not have the money for it right now; I have never really thought about it; It is too expensive and not worth the cost; The potential need for long-term care is a long time away; I have no idea how to start shopping for it; The options available for long-term care insurance are complex and overwhelming; Insurance companies make it hard to get benefits even if you are covered; It is too depressing to think about; I am unwilling to ever go into a nursing care facility; I would probably not qualify because my current health is not great; Investing in long-term care insurance is risky because the insurer might go bankrupt; I have enough saved to pay for long-term care without insurance; There are no good options available for long-term care insurance; I doubt I will ever need long-term care; Insurance companies that sell long-term care insurance are not reputable. (n=844)

Three out of four say a healthy lifestyle is LTC insurance for them.  
Half say having a spouse or family is long-term care insurance.



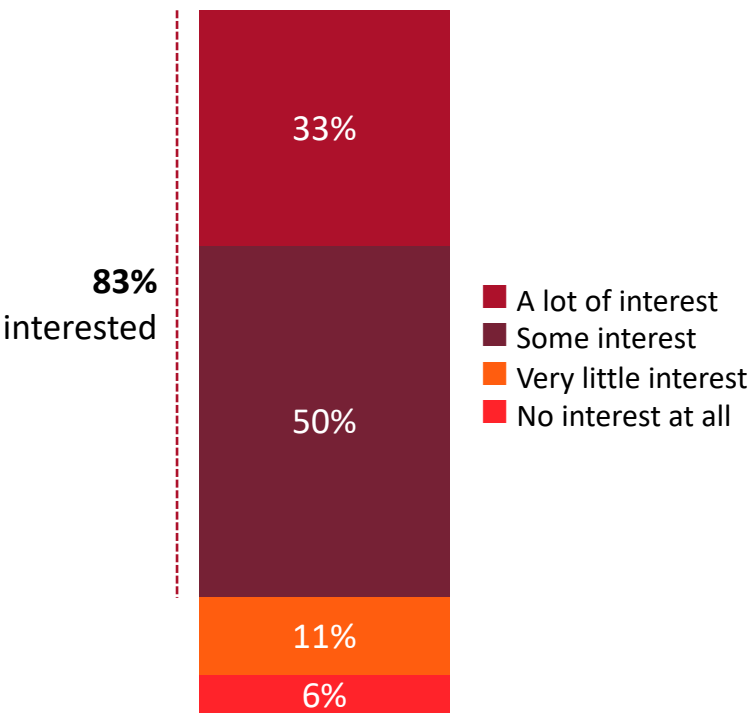
44. How much do you agree or disagree with each of the following statements? b. Leading a healthy lifestyle is my long-term care insurance; a. My spouse or family is my long-term care insurance. (n=1,003)

# Four out of five consumers who don't have a hybrid policy express interest in such a product for long-term care.

## Hybrid Product Description

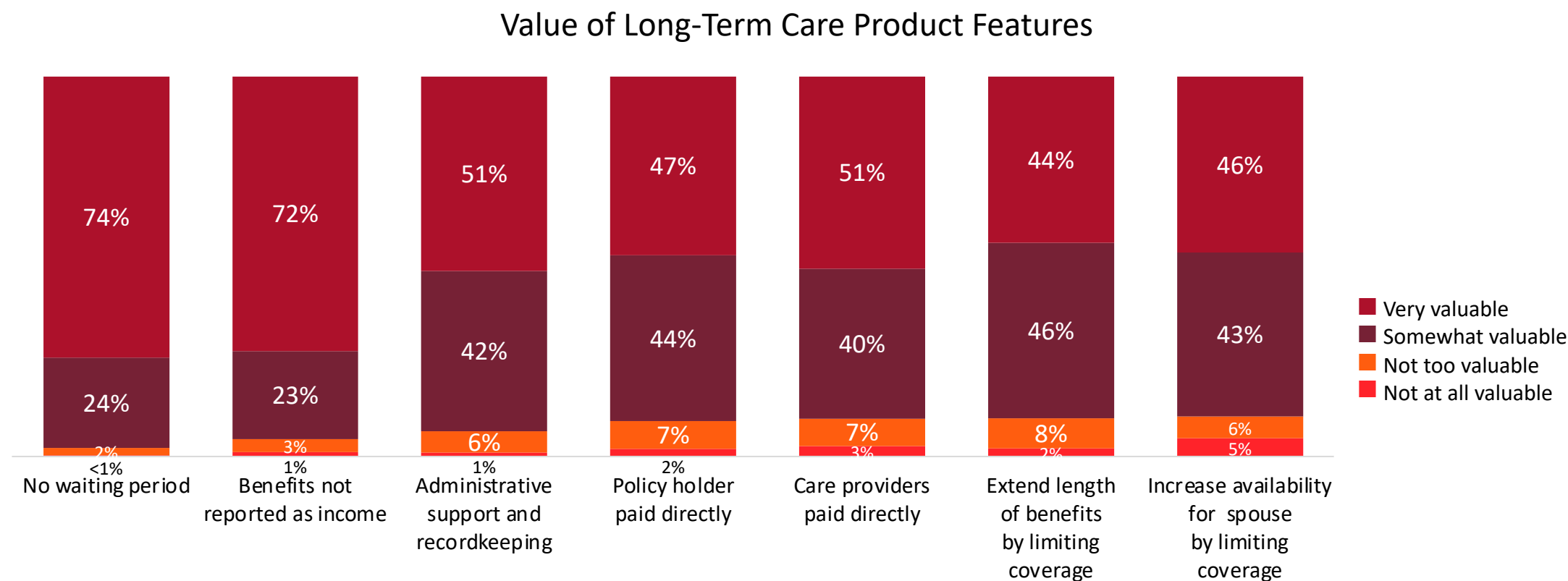
*“Some types of long-term care insurance are known as hybrid products. You pay for the insurance, and it pays for long-term care if you need it. If you don't need it, the insurance pays back what you contributed as a death benefit, similar to a life insurance policy.”*

Interest in Hybrid Product  
(among non-owners of hybrid LTC )



50. [IF DOESN'T HAVE HYBRID LTC POLICY] Some types of long-term care insurance are known as hybrid products. You pay for the insurance, and it pays for long-term care if you need it. If you don't need it, the insurance pays back what you contributed as a death benefit, similar to a life insurance policy. How much interest would you have in this type of long-term care insurance? (n=1,000)

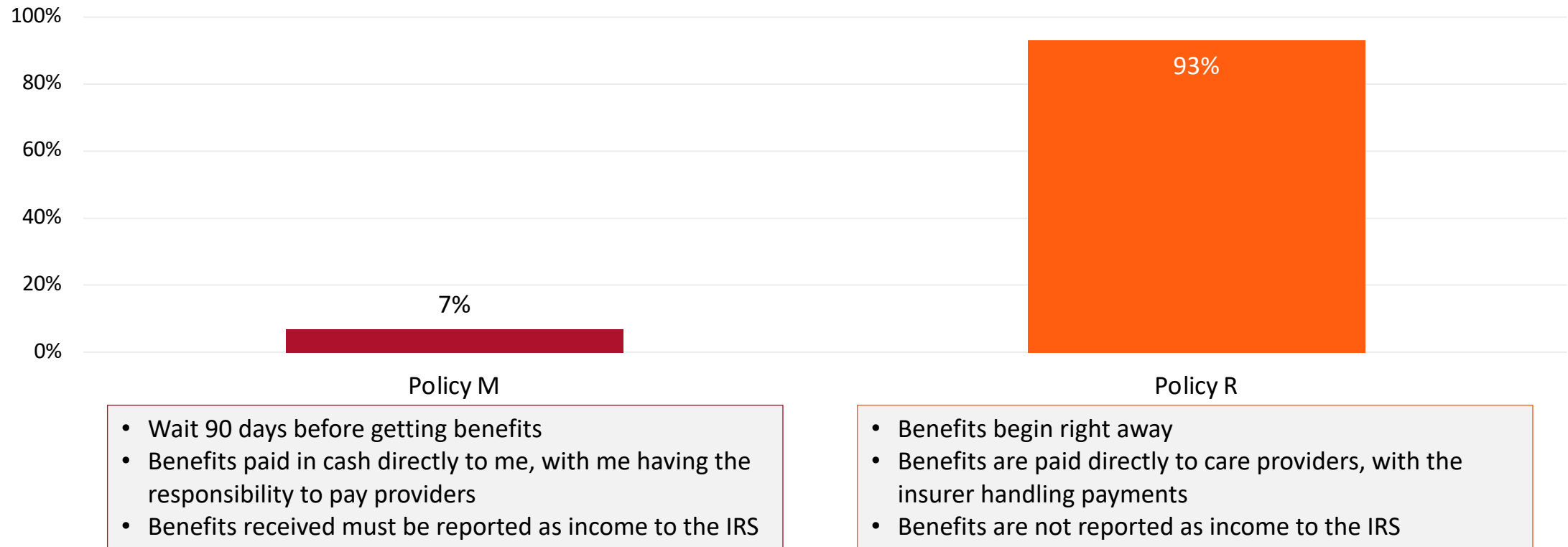
Out of seven LTC product features tested, the most valuable are (1) no waiting period, and (2) benefits are not reported as income.



47. There are different ways that long-term care insurance can pay for care. Consider the features you would want if you were to buy long-term care insurance coverage. Please rate the value of each of these features. c. No waiting period for benefits to start after a qualifying need; d. Benefits do not have to be reported to the IRS as taxable income; e. A policy that provides administrative support and takes care of record keeping for you; a. Benefits are paid directly to you; b. Care providers are paid directly by the insurance company; f. Coverage of only qualified costs, which can extend the length of benefits; g. Coverage of only qualified costs, which can increase benefits available for a spouse's care. (n=1,003)

# Consumers overwhelmingly prefer a product with an immediate, non-taxable benefit over a product that would pay them directly.

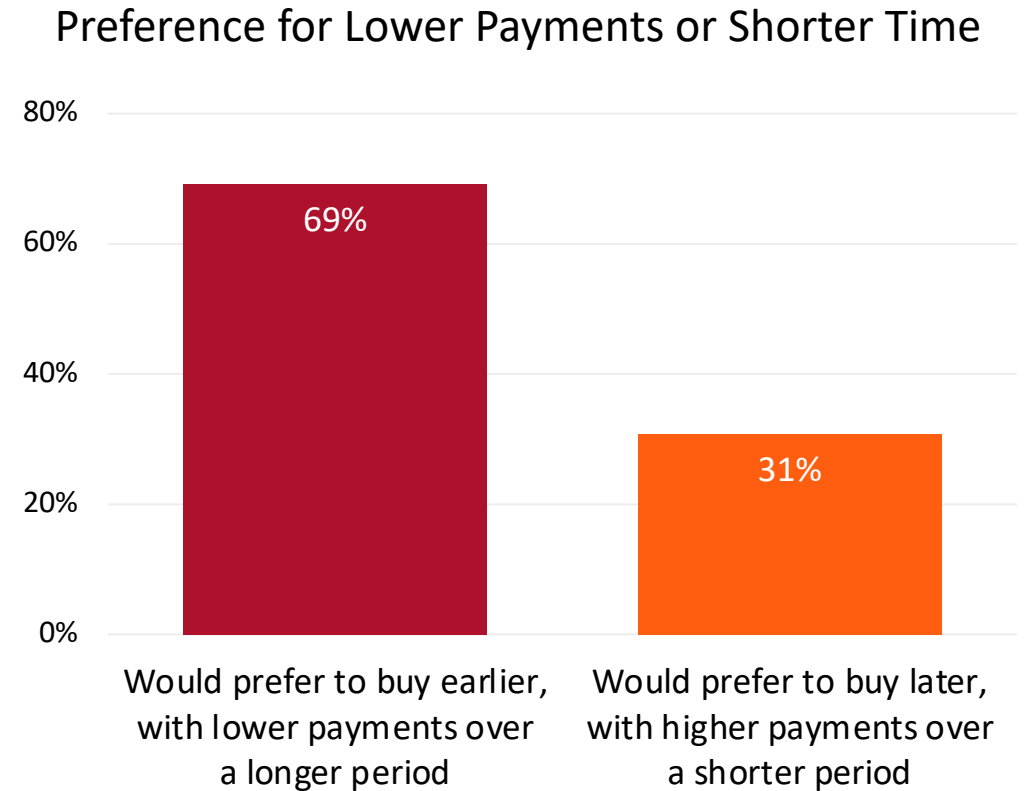
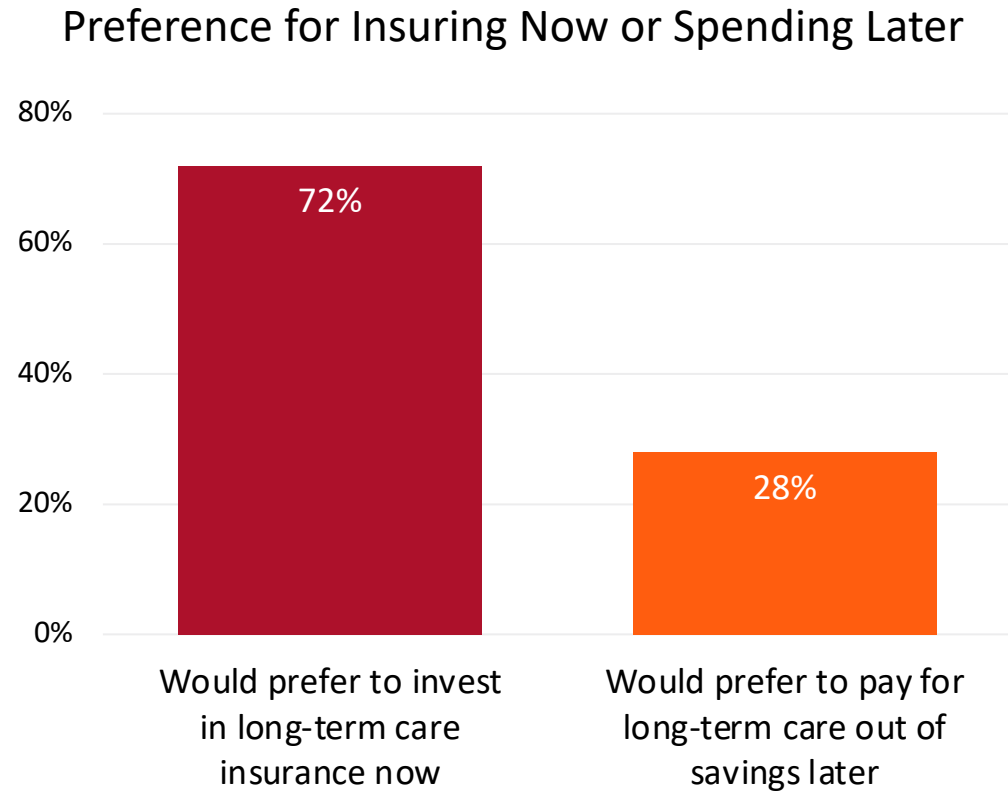
## Preferred Long-Term Care Product



48. Taking everything into consideration with the advantages and disadvantages of each, which long-term care insurance policy would you rather purchase... (n=1,003)



Also by large margins, they like the idea of buying insurance (versus paying from savings) and getting it earlier in their lives.



38. Which of these two options do you believe is a better plan for paying the potential costs of long-term care? Put some savings or investments towards purchasing long-term care insurance while healthy, and use that to pay for long-term care when and if it is needed; Spend savings or investments to pay for long-term care when and if it is needed. 49. When purchasing long-term care insurance, buying it earlier in life can reduce premiums because payments begin when you are healthier. However, this could likely mean that payments are made over a longer period of time. Buying it later in life can reduce the length of time that premiums are paid, closer to when long-term care is needed. However, payments would be higher than if the policy was purchased earlier. If you were to purchase a long-term care insurance policy, would you rather purchase it earlier in life, or later in life? Earlier (for lower payments over a longer period of time); Later (for higher payments over a shorter period of time). (n=1,003)

# Appendix

## Sample Profiles

# Profile of Financial Professional Sample

(n=405)

CHANNEL	
Registered Investment Advisor (RIA)	49%
Independent BD	24%
Bank	9%
Insurance BD or Carrier	8%
Wirehouse	5%
Regional BD	4%
MGA or BGA	<1%
Other	1%
AVERAGE CLIENT PORTFOLIO	
\$100,000 to less than \$250,000	11%
\$250,000 to less than \$500,000	25%
\$500,000 to less than \$1 million	31%
\$1 million to less than \$3 million	22%
\$3 million to less than \$10 million	8%
\$10 million or more	3%

GENDER	
Women	19%
Men	81%
Another gender	—
AGE	
18 to 24	1%
25 to 34	18%
35 to 44	36%
45 to 54	25%
55 to 64	14%
65 to 74	5%
75 or older	<1%
TENURE AS A FINANCIAL PROFESSIONAL	
3 to 4 years	11%
5 to 9 years	38%
10 to 14 years	18%
15 years or more	32%

# Profile of Consumer Sample

(n=1,003; weighted percentages)

AGE	
Gen Z (1997 to present)	11%
Millennial (1981 to 1996)	27%
Gen X (1965 to 1980)	27%
Boomer (1946 to 1964)	29%
Silent (1928 to 1945)	5%
GENDER	
Women	51%
Men	49%
Another gender	—
MARITAL STATUS	
Married or living with partner	54%
Divorced	9%
Separated	2%
Widowed	4%
Never been married	31%
CHILDREN (including adult children)	
Yes	57%
No	43%

RACE/ETHNICITY	
Asian or Pacific Islander	6%
Black or African American	11%
Hispanic or Latino	17%
Native American or Alaskan Native	2%
White or Caucasian	61%
Another race/ethn. (incl. multi- or biracial)	3%
REGION	
Northeast	18%
Midwest	21%
South	38%
West	23%
HOUSEHOLD INCOME	
Less than \$25,000	13%
\$25,000 to less than \$50,000	16%
\$50,000 to less than \$75,000	19%
\$75,000 to less than \$100,000	11%
\$100,000 to less than \$150,000	26%
\$150,000 to less than \$250,000	11%
\$250,000 or more	3%

EMPLOYMENT	
Employed	57%
Not employed	14%
Retired	20%
Student	2%
Stay-at-home spouse or partner	7%
EDUCATION	
High school or less	37%
Some college or associate degree	30%
Bachelor's degree	20%
Postgraduate degree	13%
INVESTABLE ASSETS	
Less than \$25,000	27%
\$25,000 to less than \$50,000	14%
\$50,000 to less than \$100,000	19%
\$100,000 to less than \$250,000	16%
\$250,000 to less than \$500,000	10%
\$500,000 to less than \$1 million	8%
\$1 million to less than \$2 million	5%
\$2 million or more	2%

# Disclosures

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