



The shifting mindset of Americans

Understanding the need for long-term care protection

THIS PAPER DISCUSSES RECENT FINDINGS THAT DEMONSTRATE A RISE IN THE IMPORTANCE AMERICANS PLACE ON LONG-TERM CARE PLANNING. FEW OF THOSE SURVEYED HAVE PLANS IN PLACE TODAY, BUT RESPONSES INDICATE THAT AMERICANS WANT TO CHANGE THIS DYNAMIC AND PLACE MORE EMPHASIS ON SETTING UP PLANS FOR THEIR FUTURE, POSSIBLE LONG-TERM CARE NEEDS.

The research and insights discussed throughout the white paper are based on a study conducted by Versta Research. See the back cover for more information on the methodology.

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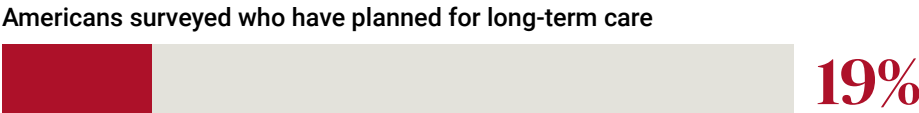




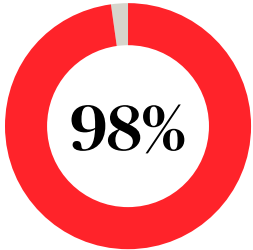
Connect a need for long-term care with planning

Nearly all Americans surveyed feel it is important to plan for long-term care in advance of needing it. Few are doing it.

One topic nearly all Americans can agree on is that having a plan for long-term care (LTC) is important. Most people know they should discuss how to plan for an unexpected care event with their loved ones. Despite acknowledging its value, many Americans surveyed have not taken steps to prepare for LTC.



Nearly all financial professionals have clients who needed long-term care.



There are substantial risks to not having an adequate long-term care plan. Financial professionals see LTC costs as one of the biggest risks to retirees' savings, second only to healthcare costs.

Many Americans are not setting up long-term care plans because they don't think they will personally need care.





Overcoming long-term care misconceptions

Relevance and perceived costs are stopping Americans from creating a plan

Americans who fall into the trap of denial do not see long-term care planning as something they need to act on today. As life expectancy for Americans increases, the likelihood that they or someone in their family will need long-term care during their lifetime is high.

In a recent study, we found that the #1 reason Americans report not discussing long-term care is because of concerns about the cost.

34% 

of Americans
don't talk about
LTC because of
the cost

33% 

of Americans
said LTC is a
low priority

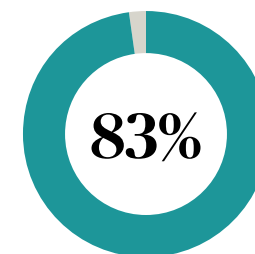
28% 

of Americans
said they never
really thought
about LTC



Consumers report interest in LTC funding solutions

There are low-cost solutions available in the marketplace with payments that can be spread out over many years.



The study reports that a significant majority of Americans (83%) express interest in hybrid long-term care solutions that offer both life insurance and long-term care expense coverage.

Care costs are often underestimated by consumers

Private room in a nursing home facility

■ **\$116,500**

ACTUAL COST

■ **\$80,000**

FINANCIAL
PROFESSIONAL
ESTIMATE

■ **\$50,000**

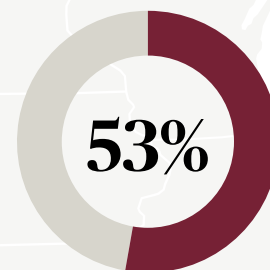
CONSUMER
ESTIMATE



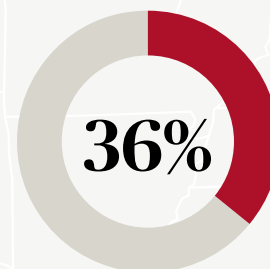
It's time to prepare

The shifting mindset of Americans

After the pandemic, many Americans placed heightened importance on their health and well-being. Perhaps this is why many have become more interested in actively planning for long-term care needs. As individuals begin to better understand the impact of a long-term care event — both financial and emotional — it may be easier for them to start a conversation with loved ones about creating a long-term care plan. Caregivers in particular understand the toll long-term care can take. Providing care to a loved one takes time, involves financial trade-offs, and can be extremely challenging from an emotional standpoint.



of Americans in our study say the pandemic increased awareness of long-term care as a risk to their retirement savings.



say the pandemic made them more worried about becoming a caregiver for a family member or loved one someday.



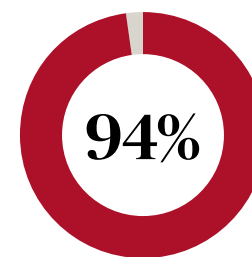
Starting the conversation

Take steps to create a long-term care plan

Long-term care planning doesn't have to be daunting. Discuss your concerns and LTC preferences with your family or support system. Work with a financial professional to learn more about LTC costs in your area and the funding option available. There are solutions offered in the marketplace that cater to many different types of long-term care preferences, needs and financial situations.

Financial professional insights

Nearly all financial professionals surveyed see an emotional benefit for clients who have long-term care insurance, saying that those clients feel more confident about their financial future. (94%)



Discuss LTC preferences with loved ones.



Review LTC funding options with a financial professional.



Understand LTC costs and the potential effects on your financial plan.



Work with your financial professional to create an LTC plan that works for you.

Research methods

Consumer survey: Versta Research conducted a survey of 1,003 U.S. adults through a national online research panel used exclusively for polling and research. To ensure full representation of the U.S. adult population, sampling was stratified and weighted to match U.S. Census data on age, gender, race, ethnicity, region, income, and education.

The survey was fielded from May 22 to June 12, 2023.

Financial professional survey: Versta Research conducted a survey of 405 producing financial professionals who have at least some familiarity with long-term care insurance and/or insurance products with long-term care riders. Financial professionals were recruited to participate in the study from national online and expert network business panels that are used exclusively for research.

The financial professionals represented the full range of channels, including independent broker-dealers, wirehouses, regional and insurance broker-dealers, banks, and others. To qualify for the study, they had to have worked at least 3 years as a financial professional and report an average client portfolio of at least \$100,000.

The survey was fielded from May 18 to June 30, 2023.

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Important information

Lincoln offers a universal life and variable universal life insurance policy with riders that reimburse for qualified long-term care expenses. Policies are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN. and distributed by Lincoln Financial Distributors, Inc., Radnor, PA. The insurance policy and riders have exclusions, limitations and reductions.

This policy provides guaranteed benefits you can tap into to reimburse qualified long-term care costs, helping to protect assets you've set aside for retirement. It offers a simple solution that makes sense for today and for tomorrow. Guarantees are subject to the claims-paying ability of the issuing company.

The purpose of this communication is the solicitation of life insurance. Contact will be made by a licensed insurance agent/producer or insurance company.