

Mr & Mrs Smith Plan Design

- Mr Smith, age 54, good health
- Mrs Smith, age 52, good health
- Reimbursement policy
- 4 year benefit period (\$365,000) each
- Daily Benefit \$250
- 5% compound Inflation protection
- 30 day Elimination Period

Premium Costs

- Mr Smith: \$2827 annually
- Mrs Smith: \$2616 annually
- Total Annual Premium \$5443

Mr Smith Care Event

| | | |
|-------------------------------|---------|-------|
| Beginning Year | 26 | |
| Care Years | 4 years | |
| Daily Benefit cost @ purchase | | \$250 |
| Daily Benefit paid year 26 | | \$890 |
| Annual compound Inflation | | 5% |

*Total Insurance Premium paid = \$70,675

Mr Smith

Insurance Benefit paid to Mr Smith:

Year 1 \$ 309,338

Year 2 \$ 324,804

Year 3 \$ 341,046

Year 4 \$ 358,098

- Total Benefits paid = \$1,333,258

- * Total Insurance Premium paid = \$70,675

Mrs Smith Care Event

| | | |
|------------------------------|---------|---------|
| Beginning Year | 30 | |
| Care Years | 2 years | |
| Daily Benefit @ purchase | \$250 | |
| Daily Benefit paid @ year 30 | | \$1,080 |
| Annual Compound Inflation | | 5% |

* Total Insurance Premium paid = \$78,430

Mrs Smith

Insurance Benefits paid to Mrs Smith:

Year 1 \$394,200

Year 2 \$413,910

* Total Benefits paid = \$808,110

* Total Insurance Premium paid = \$78,430

Summary

- Joint premiums paid:
\$149,105

- Joint LTC benefits received:
\$2,141,395