

## Why GoldenCare?

# WELCOME!

Thank you for joining us!

*For audio, use your computer's speakers,  
OR dial in using the number on your screen.*

- Perfect Portfolio of Products
- Superior, Personal Backend Support
- Product and Sales Training
- LTC CEO Selling Tools Software
- GoldenCare Rewards Program
- CSG Actuarial Comparison Tools
- StrateCision Comparison Tools
- Discounted E&O Coverage
- Exciting Promotions On Various Products
- CareOptions Health and Wellness Hub

***We've Cracked The Code: Keeping LTCi Affordable***

# Mutual of Omaha LTCi Premium Rates

**MutualCare® Solutions LTCi product launched in the fall of 2013**

- Until this year, New Business pricing remained unchanged!

**Mutual of Omaha announced LTCi Rate Refresh & Benefit Changes in 32 states, effective 9/1/2020**

- Alabama, Alaska, Arkansas, Colorado, Georgia, Idaho, Illinois, Iowa, Kentucky, Louisiana, Maine, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, and Wyoming
- Click for the full announcement: [LTC New Business Rate Refresh and Benefit Changes](#)

**The second round of state approvals was announced Oct 19<sup>th</sup>:**

- Kentucky, Maryland, Massachusetts, Pennsylvania and Wisconsin.
- Click for the full announcement: [Phase 2 LTC New Business Rate Refresh and Benefit Changes](#)

# Mutual of Omaha Advantages

## **MutualCare® Solutions LTCi products include built-in, consumer-oriented features**

- Built-in, first-day Cash Benefit (25% of HHC Benefit), built-in Calendar-Day elimination periods, automatic Monthly Benefits, and the most ROP options currently offered by any other carrier, unparalleled flexibility – over 69 inflation options to choose from

## **Mutual of Omaha is the #1 carrier in the Long-Term Care insurance market (brokerage)**

- According to 2019 LIMRA reports, Mutual of Omaha wrote \$46.6 Million in 2019 compared to \$15.4 Million written by our portfolio's 3 other LTCi carriers *COMBINED*.

## **Mutual of Omaha is committed to the business and stands behind their LTCi policies**

According to internal claims data from 2019, Mutual of Omaha Paid Claims:

- Over \$1.1 Billion in benefits paid since 1987
- Over \$10 Million paid *every month*
- Over \$2 Billion under management to ensure future claim payments

# Concerns With Rising Premiums? What should you do?





# Today's Agenda:

- Review the “Short and Fat” plan design we often suggest
- Review the plan options and features that received the greatest premium increases
- Revisit and modify our “Short and Fat” recommendation
- Provide premium examples and compare design strategies for “Short and Fat” versus “Short and Fat 2.0”
- *Where to start?* We give our starting formula to get the premiums down

# Long/Skinny Traditional Design vs Short/Fat Design

## Long/Skinny

- Monthly Maximum Benefit \$4500
- 5 year Benefit Period
- 100% Assisted Living
- 5% Compound Inflation Rider
- Policy maximum \$270,000
- Annual Premium: **\$11,488.30**

## Short/Fat

- Monthly Maximum Benefit \$7500
- 3 year Benefit Period
- 50% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$270,000
- Annual Premium: **\$8,601.77**

These plan options were impacted the most when pricing was refreshed.

## **Future Maximum Monthly Benefit**

Now - \$4,500  
10 years - \$7,328  
20 years - \$11,936  
30 years - \$19,444

Now - \$7,500  
10 years - \$10,081  
20 years - \$13,547  
30 years - \$18,205

*Premiums are based on married couple, both age 60, Standard Health, 90-day elimination period*

# Long/Skinny Traditional Design vs Short/Fat Design

## Long/Skinny

- Monthly Maximum Benefit \$4500
- 5 year Benefit Period
- 100% Assisted Living
- 5% Compound Inflation Rider
- Policy maximum \$270,000
- Annual Premium: **\$11,488.30**

## Short/Fat

- Monthly Maximum Benefit \$7500
- 3 year Benefit Period
- 50% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$270,000
- Annual Premium: **\$8,601.77**

## Short/Fat 2.0

- Monthly Maximum Benefit \$10,000
- 2.1 year Benefit Period
- 50% Assisted Living
- 1% Compound Inflation Rider
- Policy maximum \$270,000
- Annual Premium: **\$5,825.22**



## Future Maximum Monthly Benefit

Now - \$4,500  
10 years - \$7,328  
20 years - \$11,936

Now - \$7,500  
10 years - \$10,081  
20 years - \$13,547

Now - \$10,000  
10 years - \$11,045  
20 years - \$12,201

*Premiums are based on married couple, both age 60, Standard Health, 90-day elimination period*



# A CLOSER LOOK



Plan Design	Age / Status / Sex	2013 Mutual of Omaha Old Rates	2020 Mutual of Omaha New Rates	% Higher
	Single	Old	New	% Higher
<b>\$4,500; \$270,000 (5 Yr); 90/90; 3% Cmp; Select/Std</b>	40 - Fem	\$3,042.43	\$3,639.96	19.60%
	45 - Fem	\$3,365.34	\$4,028.56	19.60%
	50 - Fem	\$3,712.92	\$4,443.54	19.60%
	55 - Fem	\$4,183.41	\$5,007.40	19.60%
	60 - Fem	\$4,852.43	\$5,808.44	19.60%
	65 - Fem	\$5,945.89	\$7,114.62	19.60%
	70 - Fem	\$7,403.73	\$8,858.49	19.60%
	75 - Fem	\$10,562.41	\$12,640.92	19.60%

Plan Design	Age / Status / Sex	2013 Mutual of Omaha Old Rates	2020 Mutual of Omaha New Rates	% Higher
	Married	Old	New	% Higher
<b>\$4,500; \$324,000 (6 Yr); 90/90; 3% Cmp; Select/Std</b>	40 - Cpl.	\$3,824.22	\$5,475.02	43.20%
	45 - Cpl.	\$4,186.82	\$5,997.60	43.20%
	50 - Cpl.	\$4,605.02	\$6,597.54	43.20%
	55 - Cpl.	\$5,147.83	\$7,376.36	43.20%
	60 - Cpl.	\$5,965.45	\$8,549.30	43.20%
	65 - Cpl.	\$7,378.87	\$10,570.88	43.20%
	70 - Cpl.	\$9,446.78	\$13,527.13	43.20%
	75 - Cpl.	\$13,323.15	\$19,082.42	43.20%

Plan Design	Age / Status / Sex	2013 Mutual of Omaha Old Rates	2020 Mutual of Omaha New Rates	% Higher
	Married	Old	New	% Higher
<b>\$4,500; \$162,000 (3 Yr); 90/90; 3% Cmp; Select/Std</b>	40 - Cpl.	\$2,518.94	\$3,688.43	46.40%
	45 - Cpl.	\$2,752.43	\$4,032.43	46.40%
	50 - Cpl.	\$3,033.96	\$4,445.22	46.40%
	55 - Cpl.	\$3,391.10	\$4,969.19	46.40%
	60 - Cpl.	\$3,912.43	\$5,734.51	46.40%
	65 - Cpl.	\$4,825.63	\$7,070.65	46.40%
	70 - Cpl.	\$6,155.22	\$9,017.33	46.40%
	75 - Cpl.	\$8,604.25	\$12,617.68	46.40%



# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
  - 5 year Benefit Period
  - 100% Assisted Living
  - 3% Compound Inflation Rider
  - Policy maximum \$270,000
- OLD RATES (2013)      • NEW RATES (2020)  
Annual: **\$4,852**      Annual: **\$5,808 (20%)**

### Future Maximum Monthly Benefit

Now - \$4,500	Now - \$270,000
10 years - \$6,048	10 years - \$363K
20 years - \$8,127	20 years - \$488K

## Short/Fat 2.0 opt #1

- Monthly Maximum Benefit \$10,000
  - 4.17 year Benefit Period
  - 50% Assisted Living
  - No Inflation Rider
  - Policy maximum \$500,000
- Annual Premium: **\$4,575 (-6%)**



### Future Maximum Monthly Benefit

Now - \$10,000	Now - \$500,000
10 years - \$10,000	10 years - \$500K
20 years - \$10,000	20 years - \$500K

Premiums are based on *Single-Female age 60*, Standard Health, 90-day elimination period

# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
- 5 year Benefit Period
- 100% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$270,000

- **OLD RATES (2013)**

Annual: **\$4,852**

- **NEW RATES (2020)**

Annual: **\$5,808 (20%)**

### Future Maximum Monthly Benefit

<b>Now - \$4,500</b>	<b>Now - \$270,000</b>
10 years - \$6,048	10 years - \$363K
20 years - \$8,127	20 years - \$488K

## Short/Fat 2.0 opt #2

- Monthly Maximum Benefit \$8,000
- 3.65 year Benefit Period
- 75% Assisted Living
- 1% Compound Inflation Rider
- Policy maximum \$350,000

- Annual Premium: **\$4,892 (0%)**



### Future Maximum Monthly Benefit

<b>Now - \$8,000</b>	<b>Now - \$350,000</b>
10 years - \$8,838	10 years - \$386K
20 years - \$9,763	20 years - \$427K

Premiums are based on *Single-Female age 60*, Standard Health, 90-day elimination period

# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
- 5 year Benefit Period
- 100% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$270,000

- **OLD RATES (2013)**

Annual: **\$4,852**

- **NEW RATES (2020)**

Annual: **\$5,808 (20%)**

### Future Maximum Monthly Benefit

Now - \$4,500	Now - \$270,000
10 years - \$6,048	10 years - \$363K
20 years - \$8,127	20 years - \$488K

## Short/Fat 2.0 opt #3

- Monthly Maximum Benefit \$5,500
- 4.39 year Benefit Period
- 75% Assisted Living
- 2% Compound Inflation Rider
- Policy maximum \$290,000

- Annual Premium: **\$4,899 (0%)**



### Future Maximum Monthly Benefit

Now - \$5,500	Now - \$290,000
10 years - \$6,703	10 years - \$353K
20 years - \$8,170	20 years - \$431K

Premiums are based on *Single-Female age 60*, Standard Health, 90-day elimination period

# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
- 6 year Benefit Period
- 100% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$324,000

- OLD RATES (2013)

Annual: **\$5,965**

- NEW RATES (2020)

Annual: **\$8,549 (+43%)**

### Future Maximum Monthly Benefit

Now - \$4,500	Now - \$324,000
10 years - \$6,048	10 years - \$435K
20 years - \$8,127	20 years - \$585K

## Short/Fat 2.0 opt #1

- Monthly Maximum Benefit \$10,000
- 4.17 year Benefit Period
- 50% Assisted Living
- No Inflation Rider
- Policy maximum \$500,000

- Annual Premium: **\$6,176 (+2%)**



### Future Maximum Monthly Benefit

Now - \$10,000	Now - \$500,000
10 years - \$10,000	10 years - \$500K
20 years - \$10,000	20 years - \$500K

Premiums are based on *Married-Couple, age 60, Standard Health, 90-day elimination period*

# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
- 6 year Benefit Period
- 100% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$324,000

- **OLD RATES (2013)**

Annual: **\$5,965**

- **NEW RATES (2020)**

Annual: **\$8,549 (+43%)**

### Future Maximum Monthly Benefit

Now - \$4,500	Now - \$324,000
10 years - \$6,048	10 years - \$435K
20 years - \$8,127	20 years - \$585K

## Short/Fat 2.0 opt #2

- Monthly Maximum Benefit \$7,500
- 4.67 year Benefit Period
- 50% Assisted Living
- 1% Compound Inflation Rider
- Policy maximum \$420,000
- Annual Premium: **\$6,649 (+11%)**



### Future Maximum Monthly Benefit

Now - \$7,500	Now - \$420,000
10 years - \$8,285	10 years - \$464K
20 years - \$9,153	20 years - \$512K

Premiums are based on *Married-Couple, age 60, Standard Health, 90-day elimination period*

# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
- 6 year Benefit Period
- 100% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$324,000

- **OLD RATES (2013)**

Annual: **\$5,965**

- **NEW RATES (2020)**

Annual: **\$8,549 (+43%)**

### Future Maximum Monthly Benefit

<b>Now - \$4,500</b>	<b>Now - \$324,000</b>
10 years - \$6,048	10 years - \$435K
20 years - \$8,127	20 years - \$585K

## Short/Fat 2.0 opt #3

- Monthly Maximum Benefit \$5,500
- 5.3 year Benefit Period
- 75% Assisted Living
- 2% Compound Inflation Rider
- Policy maximum \$350,000

- Annual Premium: **\$7,281 (+22%)**



### Future Maximum Monthly Benefit

<b>Now - \$5,500</b>	<b>Now - \$350,000</b>
10 years - \$6,703	10 years - \$426K
20 years - \$8,170	20 years - \$520K

Premiums are based on *Married-Couple, age 60, Standard Health, 90-day elimination period*



# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
- 3-year Benefit Period
- 100% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$162,000

- **OLD RATES (2013)**

Annual: **\$3,391**

- **NEW RATES (2020)**

Annual: **\$4,969 (+46%)**

### Future Maximum Monthly Benefit

Now - \$4,500	Now - \$162,000
10 years - \$6,048	10 years - \$217K
20 years - \$8,127	20 years - \$292K
30 years - \$10,922	30 years - \$393K

## Short/Fat 2.0 opt #1

- Monthly Maximum Benefit \$10,000
- 2.21-year Benefit Period
- 50% Assisted Living
- No Inflation Rider
- Policy maximum \$265,000

- Annual Premium: **\$3,399 (0%)**



### Future Maximum Monthly Benefit

Now - \$10,000	Now - \$265,000
10 years - \$10,000	10 years - \$265K
20 years - \$10,000	20 years - \$265K
30 years - \$10,000	30 years - \$265K

Premiums are based on *Married-Couple, age 55, Standard Health, 90-day elimination period*

# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
- 3-year Benefit Period
- 100% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$162,000

- **OLD RATES (2013)**

Annual: **\$3,391**

- **NEW RATES (2020)**

Annual: **\$4,969 (+46%)**

### Future Maximum Monthly Benefit

Now - \$4,500	Now - \$162,000
10 years - \$6,048	10 years - \$217K
20 years - \$8,127	20 years - \$292K
30 years - \$10,922	30 years - \$393K

## Short/Fat 2.0 opt #2

- Monthly Maximum Benefit \$8,000
- 2.08-year Benefit Period
- 50% Assisted Living
- 1% Compound Inflation Rider
- Policy maximum \$200,000
- Annual Premium: **\$3,773 (+11%)**



### Future Maximum Monthly Benefit

Now - \$8,000	Now - \$200,000
10 years - \$8,838	10 years - \$220K
20 years - \$9,763	20 years - \$244K
30 years - \$10,788	30 years - \$286K

Premiums are based on *Married-Couple, age 55, Standard Health, 90-day elimination period*

# Long/Skinny vs Short/Fat 2.0

## Long/Skinny

- Monthly Maximum Benefit \$4,500
- 3-year Benefit Period
- 100% Assisted Living
- 3% Compound Inflation Rider
- Policy maximum \$162,000

- **OLD RATES (2013)**

Annual: **\$3,391**

- **NEW RATES (2020)**

Annual: **\$4,969 (+46%)**

### Future Maximum Monthly Benefit

Now - \$4,500	Now - \$162,000
10 years - \$6,048	10 years - \$217K
20 years - \$8,127	20 years - \$292K
30 years - \$10,922	30 years - \$393K

## Short/Fat 2.0 opt #3

- Monthly Maximum Benefit \$5,500
- 2.73-year Benefit Period
- 75% Assisted Living
- 2% Compound Inflation Rider
- Policy maximum \$180,000

- Annual Premium: **\$4,270 (+26%)**



### Future Maximum Monthly Benefit

Now - \$5,500	Now - \$180,000
10 years - \$6,703	10 years - \$220K
20 years - \$8,170	20 years - \$267K
30 years - \$10,058	30 years - \$326K

Premiums are based on *Married-Couple, age 55, Standard Health, 90-day elimination period*

**THANK YOU FOR ATTENDING!**

***Questions? 800-842-7799***



**Cracked The Code**

# *Here's Your Chance To Win A \$100 Amazon.com Gift Card!*

*Download our GoldenCare contact card for instant access to  
some of our most popular tools!*

*Plus, you can enter a drawing for a chance to win one of  
**ten (10) Amazon.com Gift Card prizes!***

*Use your smart phone, open your camera app, and take a picture  
of the image to the right. It's that easy!*



## Why GoldenCare?

*Thank you for  
joining us today!*

*For attending, we will send the CE Voucher, copy  
of these presentation slides, and more!*

*Watch your inbox for our email!*

- Perfect Portfolio of Products
- Superior, Personal Backend Support
- Product and Sales Training
- LTC CEO Selling Tools Software
- GoldenCare Rewards Program
- CSG Actuarial Comparison Tools
- StrateCision Comparison Tools
- Discounted E&O Coverage
- Exciting Promotions On Various Products
- CareOptions Health and Wellness Hub

***We've Cracked The Code: Keeping LTCi Affordable***