Different Types of Long-Term Care Policies

Long-term care (LTC) plans fall into three main categories: Traditional (Standalone) LTC, Hybrid Life/LTC, and Annuity-based LTC. Traditional plans offer high coverage per dollar with flexible ongoing premiums that can rise. Hybrid and annuity plans lock in costs or repurpose assets to pay out care or pass a death benefit if unused.

Traditional (Standalone) LTC

Cost structure: Ongoing annual or monthly premiums; rates can increase.

Use-it-or-lose-it: Yes; if you never need care, premiums are not returned.

Medical check: Strict health underwriting required.

Best for: Healthy buyers wanting maximum care leverage for lower initial outlays.

Hybrid Life/LTC

Cost structure: Single lump sum or fixed payments over 10 years; guaranteed stable.

Use-it-or-lose-it: No; unused benefits pay a tax-free death benefit to heirs.

Medical check: Moderate underwriting required.

Best for: People wanting guaranteed pricing and a legacy if care isn't used.

Annuity-Based LTC

Cost structure: Single lump-sum asset transfer via tax-free exchange.

Use-it-or-lose-it: No; triples or multiplies principal tax-free for care or returns to heirs.

Medical check: Simplified or lighter underwriting.

Best for: Retirees with existing cash or idle annuities looking to reposition funds.

If you would like a quote and review which would be best for you, please contact

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