

# **Selling LTC Insurance in a Down Economy**

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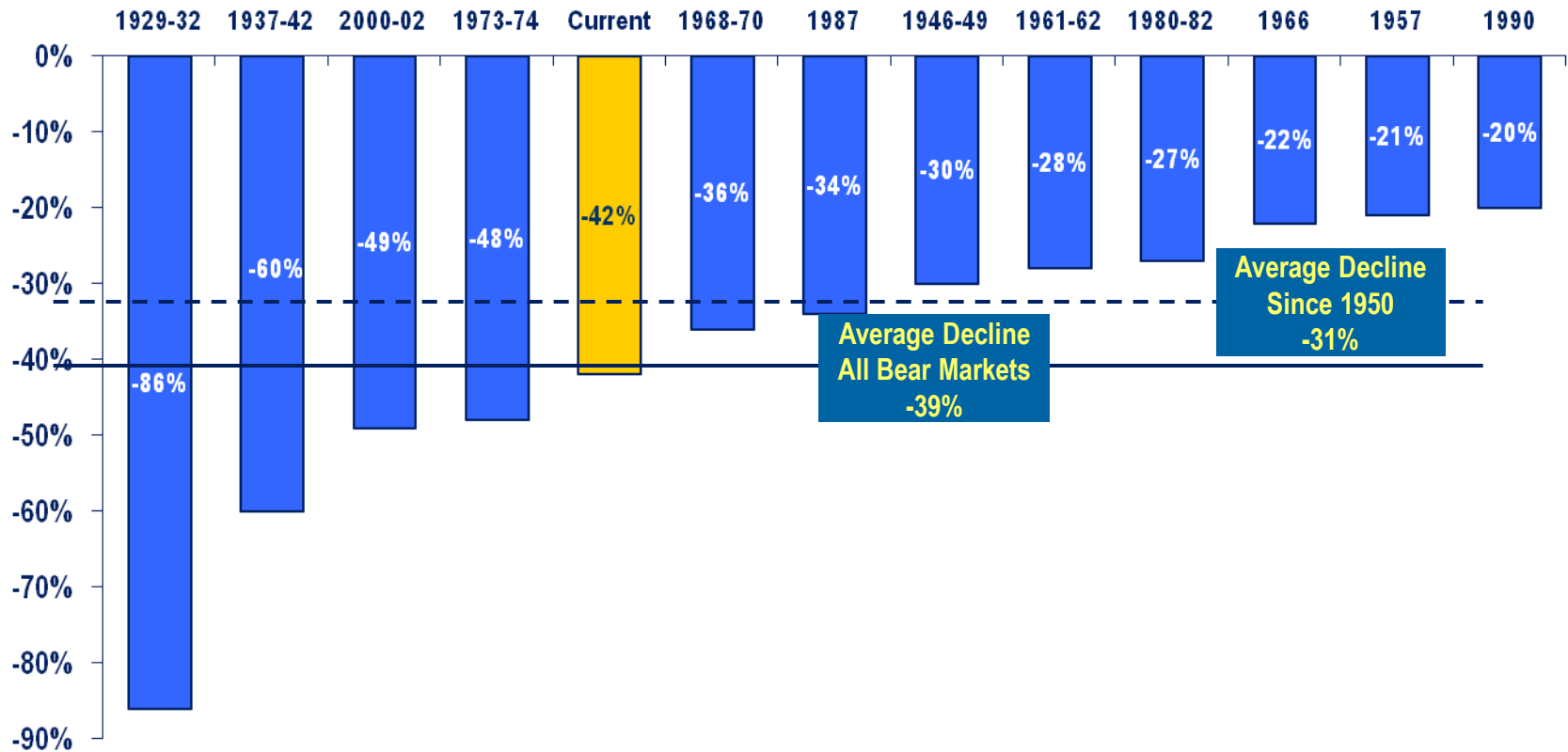
LTC Regional Sales Manager

**Wednesday November 16<sup>th</sup>  
2EST**



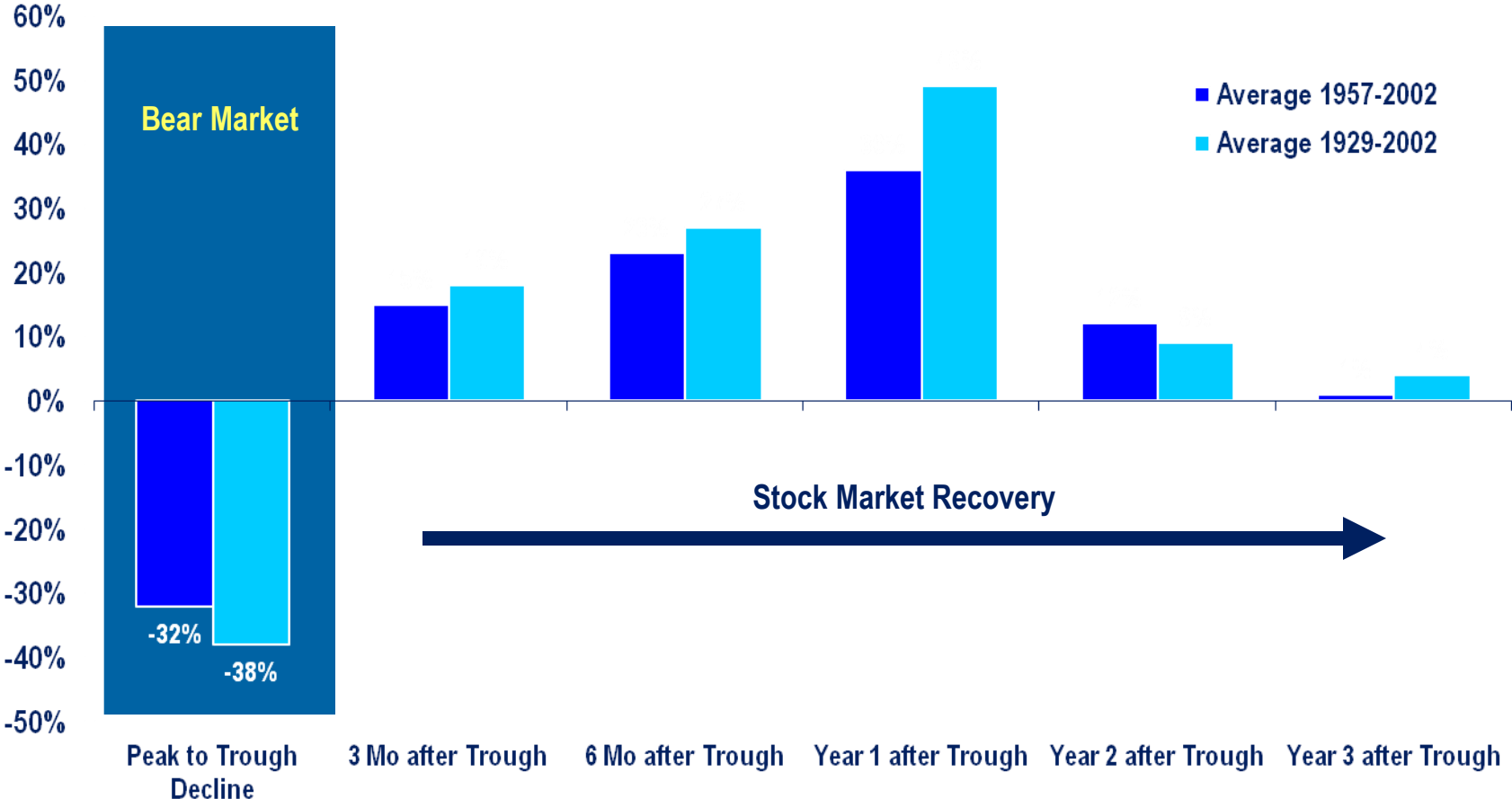
# U.S. Bear Markets History

## Peak-Trough Declines



Source: PIIA, Note: Current Bear Markets Decline is from 10/9/2007 to 5/4/2009

# Equity Market Outlook



Source: PIIA, Past market performance does not guarantee similar future results.

# Today's Economy



## *Your Clients Have Questions:*

- Will the economy improve?
- When will the economy improve?
- When will my personal financial situation (cash flow) improve?
- What will be left of my “Retirement Nest Egg?”

# Today's Economy

## *What We DO Know*

- Each year more Baby Boomers will have an “LTC Experience” with a parent or relative
- You will be one year older in 2012 than you are in 2011
- At some point in the (near? far?) future you will have more health issues than you do today

# What Are Your Clients *Willing* to Do?

- Transfer risk of LTC expenses to an insurance company – rather than rely on their own (uncertain) assets & income to pay for LTC
- Lock in health/insurability and issue age premium rates TODAY
- Keep today's premiums affordable (cash flow)
- Preserve Lifestyle and Assets
- Have options for future benefit increases when the client **knows** what their personal financial situation is

# When to Use GPO

- GPO can provide meaningful protection which will provide clients with a lower initial premium
- Consider GPO for clients:
  - Who have a temporary cash flow problem and you want to lock-in their insurability
  - Who are older, and traditional compound insurance is unaffordable
  - Who are younger professionals where income will increase later on in years

***Sales Tip: Increase daily benefit & add GPO***

# The Magic of Prudential GPO

- Affordable premiums during working years
- Getting the best classification clients will ever get and keeping the best classification they will ever get
- GPO offers occur even while on claim/premium waiver
- Prior offer declines do not affect future offers
- GPO offers are calculated on a 5% Compound Basis
- Meaningful benefit for a manageable premium from the beginning
- Ideal if there is a pre-retirement LTC event that extends into retirement years

**Eligibility – Availability – Affordability**





LTC3<sup>SM</sup> long-term care insurance policy is issued by The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102 (800-732-0416). This coverage contains benefits, exclusions, limitations, eligibility requirements and specific terms and provisions under which the insurance coverage may be continued in force or discontinued. Prudential is authorized to conduct business in all U.S. states and the District of Columbia. Product availability varies by state. Coverage is issued under policy number GRP 113096 (In North Carolina coverage is issued under GRP113598, In Virginia coverage is issued under GRP113327), however policy numbers may vary by state.