

More Care | More Convenience | More Control

The Big Picture

When you think about long-term care, what picture comes to mind? Do you think of a nursing home or depending on family members to take care of you? This is a common perception and sometimes the only image of what people associate with long-term care. However, long-term care is comprised of the following care services:¹

- Home Care
- Home Health Aide and personal care
- Homemaker Services
- Chore Services
- Nurse and Therapist
- Hospice Care
- Respite Care
- Adult Day Care
- Assisted Living Facility
- Bed Reservation
- Nursing Home Facility

The Need

At some point over the age of 65, 70% of people will need some form of long-term care.² To qualify for long-term care benefits you must be diagnosed as chronically ill by a licensed health care practitioner, which means either being severely cognitively impaired requiring substantial assistance to protect against threats to health and safety or are unable to perform at least two of the six Activities of Daily Living (ADLs).^{3,4}

- Eating
- Bathing
- Transferring
- Dressing
- Toileting
- Continence

The Payment Options

Long-term care services may be very expensive and may quickly drain a person's savings and investments. There are several ways to pay for the costs of long-term care:



If a person chooses to pay for long-term care from personal savings and investments, which account would that person use first and would that person be willing to potentially deplete all of the accounts to pay for long-term care?

This is a solicitation of long-term care insurance by **Forethought Life Insurance Company** and an agent/insurance producer may contact you.
HA5042-1-FL (07-20) 1689756.2

WHAT IS YOUR CURRENT LONG-TERM CARE STRATEGY?

Is it one of these?

Own a long-term care policy

Money Set Aside

Don't Know

There might be a new approach that brings more advantages and more choices.

Would you like to learn more?

BY THE NUMBERS

65%

of long-term care is home health care.⁶

\$109,560

Maximum amount of assets Medicaid allows the healthy spouse to keep.⁷

\$21

per hour for a home health aide.²

Fewer than 1/3

of Americans age 50 and over have begun saving for long-term care.⁸

70%

of people over age 65 will need long-term care services.²

Is there a better way?

ForeCare Fixed Annuity

73% of annuity owners plan to use their annuity savings for an emergency fund in case of illness or nursing home care.⁹ Because ForeCare is a fixed annuity, it provides tax-deferral on interest credited to the contract value through withdrawals or income payout options, and any remaining contract value at death will pass directly to beneficiaries as a death benefit. However, if the insured is diagnosed as chronically ill by a licensed health care practitioner (is unable to perform at least two ADLs or is severely cognitively impaired) ForeCare may provide the following long-term care benefits:³

- Double or triple the contract value in long-term care coverage available for qualified long-term care expenses (eligibility and multiple is determined through underwriting)¹⁰
- Benefits received for qualified long-term care expenses are typically federal income tax-free¹¹

For more information, please contact your financial professional or visit globalatlantic.com.

globalatlantic.com

¹ List of covered care may vary by state. See contract for full descriptions.

² "Cost of Care," U.S. Department of Health and Human Services, <http://longtermcare.gov/costs-how-to-pay/cost-of-care>, as of Feb 21, 2017. Costs are based on 12, 30-day monthly periods. Based on average U.S. costs from 2010.

³ There is an elimination period of 90 days of covered care within 270 consecutive days. The elimination period is waived for home health care with a qualifying plan of care.

⁴ Covered Long-Term Care Services must be provided pursuant to a written Plan of Care that 1) was submitted by a Licensed Health Care Practitioner, and 2) has been approved by Forethought Life Insurance Company.

⁵ There are a multitude of different products that may be accessed for retirement income needs. For example, stocks, bonds, mutual funds, and variable annuities are securities and have different risk/reward characteristics, liquidity properties and tax consequences, particularly when compared to products such as CDs, savings accounts, money market accounts, fixed annuities and fixed index annuities. Certificate of Deposits (CDs) are bank products that are FDIC insured. Money Market funds are securities and are not FDIC insured and although these funds seek to preserve the value of an investment at \$1.00 per share, there is no guarantee they will maintain this value.

⁶ www.longtermcare.gov, 2010. "How Much Care Will You Need?"

⁷ Insight on the Issues, Lina Walker and Jean Accius, AARP Public Policy Institute, http://assets.aarp.org/rgcenter/ppi/ltc/i44-access-ltss_revised.pdf, September, 2010.

⁸ Guide to Long Term Care Planning, Jed Winegar and Thomas Day, National Care Planning Council, July 30, 2014.

⁹ 2009 Gallup Survey of Owners of Non-Qualified Annuity Contracts.

¹⁰ The ForeCare Multiplier provides two or three times (depending on underwriting eligibility) the amount of contract value in long-term care coverage to spend on qualified long-term care expenses. Benefits are subject to a maximum monthly benefit. The additional coverage in excess of the Contract Value is only available to use for a qualified long-term care benefit and will not become part of the contract value or the death benefit. Withdrawals, other than for qualified long-term care expenses, will adversely affect the amount of coverage for long-term care benefits in the future.

¹¹ Pay no taxes on investment income growth assuming all funds are used to pay for qualified long-term care services, no non-qualified withdrawals are taken and no death benefit is paid.

Exclusions and Limitations

The qualified long-term care insurance rider has exclusions and limitations.

Other Information - For costs and further details of the coverage, including exclusions, any reductions or limitations and terms under which the contract may be continued in force, talk to your agent.

No payment will be made for any room and board, care, treatment, services, equipment or other items: (1) Provided by a member of an Insured's Immediate Family, unless: (a) He or she is a regular employee of the organization that is providing the services; and (b) Such organization receives payment for the services; and (c) He or she receives

no compensation other than the normal compensation for employees in her or his job category; (2) For which no charge is normally made in the absence of insurance; (3) Provided outside of the United States of America, and its territories and possessions; (4) Provided by or in a Veterans Administration or federal government facility, unless required by law; (5) Due to an Insured's alcohol or addiction to drugs or narcotics; but not addiction that results from the administration of those substances in accordance with the advice and written instructions of a duly licensed physician; or (6) Resulting, directly or indirectly, from: (a) War or act of war, whether declared or not; or (b) Attempted suicide or an intentionally self-inflicted injury.

We will not reduce or deny any claim for Long Term Care benefits because of sickness or a physical or medical condition that existed before the Issue Date of the Rider for Long-Term Care Benefits except as permitted by the Misstatement of Age and Incontestability provisions of the rider. If the Insured's age is misstated we will adjust the rider charges to the amount that would have applied based on the Insured's correct issue age and benefits selected. The rider is incontestable after it has been in force during the lifetime of the Insured for two years after the issue date except for non-payment of rider charges.

The Rider for Long-Term Care Benefits may be terminated by a written request from the Owner. The Rider will also terminate: when the requirements specified for the insured are no longer met, when the Owner is changed, when the Contract is surrendered, upon the death of the last surviving insured, upon annuitization (if elected prior to the Maturity Date), on the Maturity Date, except 1) when annuitization is elected on the Maturity Date; and 2) when the Contract Value is \$0 but unused Long-Term Care Extended Benefit coverage is still available, or upon the date all Long-Term Care Benefits available under the rider have been paid. This Rider is noncancellable. When you pay the single premium for the Annuity Contract to which this Rider is attached, no additional premiums for this Rider are required. This means that you have the right to continue this Rider in force unless you cancel it as provided under the termination provision in this Rider.

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ForeCare fixed annuity is issued by Forethought Life Insurance Company, 10 West Market Street, Suite 2300, Indianapolis, Indiana. Available in most states with contract FA1101SPDA-01-FL with Rider for Long-Term Care Benefits Form LTC2000-01-FL, Optional Inflation Protection Benefit Rider Form LTC2001-01-FL and Optional Nonforfeiture Benefit Rider Form LTC2002-01-FL. This is a solicitation of Long-Term Care insurance.

Products and features are subject to state variations and availability. Read the contract for complete details.

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Not a bank deposit	Not FDIC/NCUA insured	Not insured by any federal government agency	No bank guarantee	May lose value	Not a condition of any banking activity
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