



Conversation starters

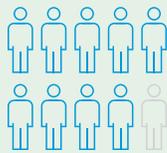
Long-term care planning begins with a family conversation.



Retirement plans can be derailed by unplanned long-term care expenses. Advisors and clients are not, however, far apart on how to avoid this outcome.

Clients and advisors agree on the importance of planning for long-term care (LTC).

According to Lincoln research*:



9 out of 10 consumers believe that their advisors should be discussing long-term care plans with them.



95% of advisors believe

that people wait too long before discussing plans and options and that most conversations (75%) are triggered when someone close to them needs long-term care.

When to have the conversation?

You want to make sure to have these conversations when clients are generally in good health and especially before they need care. On average, advisors agree that it's a good idea to begin long-term care discussions at age 50. For that reason, we encourage advisors to make long-term care a component of retirement planning. By planning early, advisors can help clients ensure that they are cared for according to their wishes.*

Who to include in the conversation?

Discussing long-term care as a family when planning for retirement enables everyone to get on the same page before care is likely to be needed. And it's an excellent way for advisors to build a relationship with the next generation of wealth.

Use these conversation starters to help with the critical preparation needed for the years ahead.

* Versta Research, "2017 LTC Marketing and Thought Leadership Research, Findings from Surveys of Advisors and Consumers," https://newsroom.lfg.com/sites/newsroom.lfg.com/files/doc_library/file/2017_Long-Term_Care_Thought_Leadership_Research_Source_Deck.pdf. Information presented here is from among those polled in our survey.

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Conversation starters for clients who can relate to a caregiving experience



Ask about their caregiving experience.

Client believes long-term care happens to other people.

Most people are familiar with the challenges of LTC, either through a personal caregiving experience or through someone they know. Without an LTC plan, the risk to the family can be emotional, physical or financial, and often all three.



Follow-up questions:

- Would your client be physically able to provide care for their spouse?
- If your client wasn't there to help, would the children be able to provide care?
- How would your client's spouse feel about having the children provide care?

Conversation starters for use during a financial planning conversation or when budgeting for retirement

Client believes their savings will pay for long-term care.

Most Americans underestimate the cost of professional long-term care services by half.* To help clients learn the actual and projected costs, Lincoln has created an interactive website, www.WhatCareCosts.com.

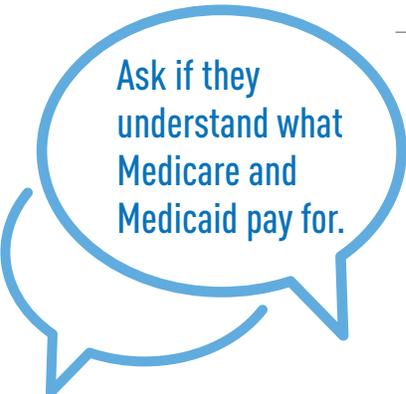


Ask if they know what professional care really costs.



Follow-up questions:

- Ask if your client has thought about which assets to sell first to pay for professional care, and what effect it might have on them financially?
- If your client was to retire elsewhere, would knowing the costs help with planning?
- Would knowing the projected costs for when your client would likely to need care help?
- Would your client be interested in a long-term care solution that could help preserve their cash position while fitting easily into their budget?



Ask if they understand what Medicare and Medicaid pay for.

Client believes Medicare and Medicaid will help pay for professional care.

Medicare was not designed to cover long-term care and, if qualified, may cover a portion of skilled nursing costs up to 100 days. Medicaid does provide long-term care coverage, but is designed as a safety net for people with very limited assets and income.



Follow-up questions:

- If your client was to receive Medicare benefits for a portion of their LTC needs, what would their plan be for the remaining costs?
- Would these costs impact other portions of your client's retirement and their family?
- If your client is planning to spend down assets to qualify for Medicaid, do they know how limited their assets need to be?
- How would your client's living situation change and what sacrifices would their family need to make if they had to live on limited assets for any length of time?

Conversation starters for clients who are concerned about their legacy

An unplanned-for LTC event can result in clients spending their savings 2-3 times faster than expected.*

The last 10 years of retirement is a period of high risk for clients spending down their assets too quickly. Among advisors Lincoln surveyed, 60% often see families devastated by the costs of long-term care.

Ask how they would feel if their legacy disappeared?



Follow-up questions:

- Do they know if their legacy is adequately protected from LTC expenses?
- How would your client choose between providing the type of care their loved one preferred and leaving the legacy they intended?

Conversation starters for clients who are uncomfortable discussing long-term care

Long-term care may be hard for your client to discuss; however, many clients want to know how to protect their savings. Share with them what you tell other clients.

Long-term care coverage doesn't have to be a use it or lose it proposition.

There are alternatives to traditional long-term care insurance whereby clients can leverage assets to help protect against long-term care risk and receive benefits if they never need care.



Follow-up questions:

- Is maintaining control of their assets and legacy an important part of your client's future plans?
- Does your client have friends or other family members who had an unplanned-for long-term care event?



Planning early, well before care is needed, can expand options for care.

Children want what's best for their parents; however, when planning is postponed, children may find themselves in the difficult position of having to make health-related and financial decisions for an ailing loved one. Families who plan early can learn how their loved ones want to be cared for. It enables them to do research that can provide the flexibility for a parent to remain independent.



Follow-up questions:

- How important is it for your client to receive the type of care they want, where they want it?
- Is maintaining their independence a priority?
- As a parent, would your client feel comfortable having their children provide care?
- As a son or daughter, would your client have concerns about being able to provide care?

Actions to take

- Engage with clients about long-term care when they are between age 45 and 75.
- Focus on female clients. More than two-thirds of the long-term care population in both nursing homes and residential communities are women.*
- Incorporate long-term care costs into your clients' financial plan modeling.
- Visit WhatCareCosts.com to examine the cost of care in your area.

For additional tools or resources to help you plan for a productive long-term care discussion, contact your Lincoln representative.

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