

41 YEARS OF GUIDANCE, SERVICE AND EXPERTISE

MAGA
Long Term Care Planning



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Dear Clients, Colleagues, and Friends,

We've received so much interest in our private educational webinars for advisory firms that we decided to hold a few open webinars, too. A number of smaller firms and individual advisors suggested it, and we thought it was a great idea.

Our public webinars are also CFP® approved for 2016 CE credit and CE eligible for attorneys, CPAs and insurance professionals.



We will be holding our first open webinar, "The Next Generation of LTC Planning Solutions," on March 15 at 11am CST and again on March 16 at 1pm CST. During the webinar, we'll address asset-based LTCI plans, share real-life case studies, and provide tips for initiating an LTC planning conversation with clients. The webinar will run around 50 minutes and will earn attendees 1 CE credit.

To reserve your place for either session, email us at maga@magaltc.com or call us at 800-533-6242. We will be planning additional webinars for later in the year.

Sincerely,

Brian I. Gordon, CLTC
President

Key LTCI Tax Facts for Advisors

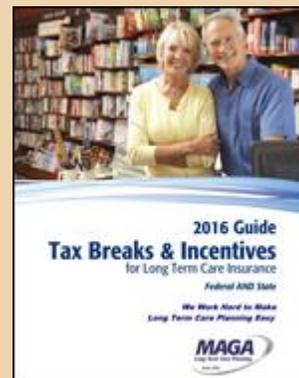
LTCI offers a number of tax advantages, and since tax season is upon us, now is the perfect time to review some basic tax facts. You'll find more information in our 2016 Tax Guide, which you can request by emailing maga@magaltc.com.

Eligible 2016 Premium Deductions

LTCI premiums are a tax deductible medical expense for individuals who have tax-qualified policies and itemize deductions, subject to age-based maximums. Here are the maximums for 2016:

Attained Age	Maximum
40 or under	\$390
Over 40 but younger than 50	\$730
Over 50 but younger than 60	\$1,460
Over 60 but younger than 70	\$3,900
Over 70	\$4,870

To be deductible, medical expenses must exceed 10% of adjusted gross income for those under age 65 and 7.5% for those over 65.



HSA's

For Health Savings Accounts (HSAs), LTCI premiums are an acceptable, tax-free health care expense, up to the same age-based Eligible Premium limits above.

In order to be eligible for an HSA, insureds must have a qualified high deductible health plan. The minimum deductible is \$1,300 for individuals and \$2,600 for families. The maximum HSA contribution limits for 2016 are \$3,350 for individuals and \$6,750 for families.

The 1035 Exchange Tax Provision

We never miss a chance to remind advisors about the tax advantages of the 1035 Exchange. Under this tax provision, individuals can use the cash value of an existing life insurance policy or annuity to fund an asset-based LTCI plan. It's a smart way to replace an outdated contract with improved benefits that include LTCI, while incurring no or minimal out-of-pocket expense.

State Tax Incentives

A number of states offer either state income tax deductions or tax credits for LTCI. For state-by-state details, as well as a host of important LTCI tax incentives, [request our 2016 LTCI Tax Guide](#).



Catch Us on Talk Radio!

As you know, LTCI education has always been central to MAGA's mission. To that end, we're pleased to announce that our President, Brian Gordon, is co-hosting an LTCI segment on [The Price of Business talk show](#) on 1110 AM KTEK radio. Brian joins host Kevin Price for biweekly discussions of LTC planning news and issues.

Our goal is to give consumers and advisors information that will help them make more knowledgeable decisions. The show airs on the first and third Thursdays of each month at 7 am CST. You can also listen to our podcasts at your convenience by visiting magatlc.com.

Would You Like to Be on our Talk Show?

One thing we especially like about the show is that we can invite guests. If you'd like to join us on the air to discuss how you use LTCI in your practice, shoot Brian an email at brian@magatlc.com.

Industry Update: MedAmerica

MedAmerica, which has a modest book of LTCI business, withdrew from the market effective February 15. The company exited the short term care insurance market, too.

If you happen to have a client with a MedAmerica LTCI policy, no action needs to be taken. MedAmerica's in-force LTCI coverage will continue as before, and MedAmerica will provide service and administration for all inforce policies as it has in the past.

All the same, if you have any questions or concerns, feel free to contact us.

MAGA in the News

Client retention is something we care about deeply. Throughout MAGA's 41 year history, we've worked hard to keep retention rates high, primarily by providing great service and staying in touch with clients.

We were recently chosen to be interviewed on this subject by NAIFA's Advisor Today. We invite you to read the entire article, ["Clients Forever: Advisors with Near 100-percent Client Retention Rates"](#)

[Share Eight of Their Secrets of Success."](#)

Need an LTCI Article for Your Newsletter?

Are you looking for meaningful content for your own client newsletter or emails? We welcome the opportunity to contribute an article on an LTCI-related topic.

Perhaps you'd like to better educate your clients on the value of LTCI. Perhaps you'd like to introduce them to asset-based plans. Whatever your goal, we'd be happy to share one of our articles or even create one for you. Email us at maga@magaltc.com and let us know what you have in mind.



We're Here to Help

Please contact us with questions, comments, or even just to say hello.



Murray A. Gordon
CEO and Founder
*40 years of experience in a
41 year old industry.
2015 Recipient of Lifetime
Achievement Award in
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* Source: AALTCI 2015-2016 Sourcebook

— Praise for MAGA —

"MAGA, Ltd. is an important resource that helps me meet the needs of my clients. I value their expertise regarding long term care insurance, their access to multiple insurers, and their commitment to do what's best for the client. I appreciate their professionalism, excellent response time, and follow-through.

My professional relationship with MAGA not only helps me better serve my clients but contributes to my success as a financial planner."

- Linda Y. Leitz, CFP, EA
Co-Owner, It's Not Just Money, Inc.

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traditional LTCI &
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MAGA proudly supports these organizations:



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