

41 YEARS OF GUIDANCE, SERVICE AND EXPERTISE

MAGA
Long Term Care Planning



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Dear Clients, Colleagues, and Friends,

It's hard to believe that Labor Day is upon us. Fall is around the corner—that season when many of us start tackling the outstanding items on our to-do list for the year.

For some of your clients, one such item may be putting a long term care plan in place. Well, there's no time like the present!



As you know, our long term care planning philosophy is that one size does not fit all. We'll offer each of your clients thoughtful, personalized LTCI recommendations and alternatives—never a cookie cutter response.

That's why we work with a number of carefully-selected carriers in both the traditional and asset-based life/annuity LTCI markets. Because we know their plan designs and underwriting requirements inside and out, we can identify the best match for each client and situation.

Advisors often ask us which carriers we work with. Right now, some of the key carriers we are frequently recommending include:

- For Traditional LTCI Plans - MassMutual, Mutual of Omaha, John Hancock
- For Asset-based Life & LTCI Hybrid Plans - OneAmerica, Lincoln Financial, Nationwide, Pacific Life

In addition, we've made obtaining a quotation a fast, simple process. You can request a proposal by completing a short online form at <https://www.magaltc.com/request-a-quote/>. Or if you'd like to discuss a particular situation in more detail, give us a call at 800-533-6242 or email maga@magaltc.com at any time.

Sincerely,

Brian I. Gordon, CLTC
President

P.S. Speaking of our website, be sure to check [our blog](#) regularly for breaking industry news and useful information regarding long term care planning and all things LTCI.

What Happens to LTCI Policies When Carriers Exit the Market?

Are inforce LTCI policies affected when a carrier decides to stop writing new business? Although the LTCI market has stabilized, this is a question we are frequently asked.

The answer is simple: even if a carrier exits the LTCI market, it is still obligated to service its existing LTCI policies as long as premiums are paid. It's the same as with life insurance and disability income policies, annuity contracts and more.

The LTCI policy is a legal contract. If a carrier sells its policies to another company, that company must also honor the policies and service all claims.



Keep this in mind: all insurance companies pay into state guarantee associations designed to protect against carrier insolvency. If a carrier doesn't just exit the LTCI market but goes out of business, the states will guarantee a fixed amount of that carrier's policies.

In short, long term care insurance policies offer long term value.

Yes, MAGA WILL Continue to Offer MassMutual LTCI Plans

If you follow industry news, you may be aware that MassMutual—one of the leading traditional LTCI carriers—recently made changes to its distribution network. These changes limit the accessibility of MassMutual products.

We're pleased to advise that this change will not affect MAGA. Our Vice President, Peter R. Florek, CLTC is an authorized MassMutual representative, so we will continue to offer MassMutual's LTCI plans.

This is significant because MassMutual is the last major LTCI carrier to offer unisex rates, which are more advantageous to women than gender-based rates. MassMutual is in the process of converting to gender-based rates, but hasn't yet finalized their next-generation LTC plan, so there's still time for your female clients to lock in lower unisex rates.

If you're working with female clients who are poised to purchase LTCI coverage, we urge you to obtain quotations now, in advance of the rate change. Contact Peter at peter@magaltc.com to request a proposal.

MAGA in the News

As you may know, nationally-recognized finance expert Terry Savage has relied on MAGA for more than 20 years to keep her readers informed on LTCI news and issues.

In her recent Huffington Post article, "[Long-Term Care Combo Policies](#)," Terry provides an excellent explanation of the reasons asset-based plans deserve attention. Brian, who provided Terry with quotations and information, is referenced in the article.



In addition, Brian continues to co-host a segment of The Price of Business radio talk show, in which he highlights different aspects of LTCI. You can find links to the podcasts at www.magaltc.com/press.

Industry News

Genworth Is on the Upswing

You may recall that Genworth Financial caught everyone's attention in late 2014 when its stock fell as a result of poor third-quarter results. The results were triggered when the company took a \$345 million charge against earnings to bolster its LTCI claims-paying reserves—a reflection of its commitment to the LTCI industry.

Now the move appears to be paying off. Earlier this month, the company posted second quarter earnings and revenue that soundly beat expectations. Earnings were adjusted by 25 cents per share, topping projections of 21 cents per share. This is good news to policyholders and investors alike.

Medicare's Open Enrollment Approaches for Part D, Drug Plans

If you have clients or family members who are eligible for Medicare, make sure they know Medicare's 2017 open enrollment period for Part D, Drug Plans will be here soon. Enrollment begins on October 15 and continues until December 7. Details are available at Medicare.gov

We're Here to Help

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



Murray A. Gordon
CEO and Founder
*41 years of experience in a
42 year old industry.
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Brian I. Gordon, CLTC
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