



# Long Term Care University

## Long Term Care University – Question of the Month

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**Q: Some of the long term care insurance policies I am researching provide a marital or partner discount and a couples discount. Can you explain what that means and what advantages it may provide?**

### **The Problem – Foregoing Discounts**

With so many purchase options to choose from, it is easy to overlook very valuable discounts when you apply for long term care insurance.

### **The Solution – Take Advantage of Every Discount Available**

**Marital or Partner Discount.** Many long term care insurance companies will provide you a **10%-15% discount** if you are married or have a partner and **only one of you purchases a policy**. While the definition of married is universal, the definition of a partner can vary by company. You may need to meet the following criteria to qualify for a partner discount: Two people who, at the time of application:

- Are named in a valid Certificate of License of Civil Union issued by your state; **OR**
- Are and have been living together for the past three consecutive years in a committed relationship as partners or family members; **AND**
  - are committed to sharing basic living expenses; **AND**
  - are not married to each other, or to anyone else; **AND**
  - if related, must belong to the same generation of the same family (e.g.: brothers, sisters, cousins)

**Marital or Partner Discount.** Many long term care insurance companies will provide each spouse or partner a **25%-40% discount** if you are married or have a partner and **each of you purchases a policy**. Let's look at an example of a 50 year old husband and wife who each purchase a policy with benefits as follow: 1) \$200 per day benefit, 2) 3 year benefit period, 3) 5% compound inflation protection and 4) 90 day elimination period. They were each able to obtain a 10% preferred health discount.

Bill Jones, Age 50		Sue Jones, Age 50	
Price Before Discounts	\$2,499.00	Price Before Discounts	\$2,499.00
Discounts	\$1,249.50	Discounts	\$1,249.50
<b>Price After Discounts</b>	<b>\$1,249.50</b>	<b>Price After Discounts</b>	<b>\$1,249.50</b>

**Often Overlooked.** Most companies have modest minimum purchase requirements. If your spouse or partner already has a long term care insurance policy, consider purchasing a supplemental policy. The discounts you gain with the purchase of two policies may **more than offset the price of a second policy**.

### **Action Step – Take Advantage of Every Discount Available**

Understand the discounts available to you if you are married or have a partner. You would still qualify for a marital discount, even if you have not spoken with an estranged spouse for 10 years. Consider purchasing two policies, even if the second policy is a nominal amount – the discounts you gain with the purchase of two policies may **more than offset the price of a second policy**.

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