



TRANSAMERICA LIFE INSURANCE COMPANY

TRANSCARE[®]

Individual Long Term Care Insurance

II

PLAN FOR YOUR FUTURE
The Need for Long Term Care insurance

 **TRANSAMERICA**
LIFE INSURANCE COMPANY



IS LONG TERM CARE IN YOUR FUTURE?

Long Term Care - A Growing Reality

Steve and Nancy planned carefully for their retirement years. He took advantage of his company's retirement savings plan. She invested in some rental property, and their life insurance policies were in place. But Steve and Nancy may not be as secure as they think. What if they look around at different situations¹, such as their parents, or even their friends?

Steve's buddy Jeff used to come over more often, but Jeff's father fell last year. After a period of Home Health Care, he now lives at an Assisted Living Facility. Jeff spends time visiting him and helping his mother figure out how to pay for his father's expensive care. Jeff has noticed that her health is beginning to deteriorate as well, and his parents' dollars just don't stretch like they originally thought they would. Jeff and his parents did not anticipate this situation and therefore were not fully prepared.

Meanwhile, Steve just saw on Facebook that one of his classmates, Barbara, had a stroke and can no longer feed or dress herself. He realizes that she may need long term care, and she's only 51 years old. She could still live a long time, with years of expensive care ahead of her.

As Steve takes notice, he sees the risk that he and Nancy are facing is very real. While they carefully pursue their dream of a well-planned retirement, they cannot ignore the fact that they are already at risk for a long term health need. There is always the risk of ill health, and as they grow older that risk may increase. There is also the chance of an unexpected illness or accident occurring at any time. At the very least, Long Term Care insurance is something they should consider in their future plans.

What can Steve do to help secure his future and provide him and his family with added peace of mind? He could consider how a TransCare[®] II Long Term Care insurance policy may fill the gap in an unexpected future.

¹In 2009, 22.7% of the civilian noninstitutionalized population ages 18-64 reported a limitation in at least one complex activity such as Activities for Daily Living (bathing, continence, dressing, eating, toileting and transferring). Health, United States, 2010: With Special Feature on Death and Dying, p. 221, prepared by the National Center for Health Statistics. 2011. (<http://www.cdc.gov/nchs/data/hs/hs10.pdf>)

WHAT IS KEEPING YOU FROM EXPLORING YOUR OPTIONS?

TransCare® II Long Term Care Insurance

A Growing Need



Growing older is a part of life. With every passing year, the likelihood increases that you may need long term care for yourself or a spouse/partner. Planning for that possibility with TransCare® II Long Term Care insurance is wise for you and for the sake of your family.

“I don’t know what long term care means.”

Long term care is the care you may need if an accident, prolonged illness, or disability makes it difficult for you to care for yourself. Long term care is a range of services designed to meet chronic health or personal care needs over an extended period of time. TransCare® II provides a fully customizable policy designed to help protect you in case long term care services are required.

“I may not need long term care.”

But maybe you will. Long term care is far more likely than you may assume. Not being able to perform basic activities of daily living (ADL disabled²) or becoming cognitively impaired and needing long term care is a distinct possibility for people. And once they turn 65, there is a 72%³ chance for women and 44%³ chance for men of becoming ADL disabled or cognitively impaired. Consider things that you were able to do when you were younger and may not be able to do now. Do your plans account for the real-world possibilities as well as the dreams you have?

“My family will take care of me.”

Caregiving can easily fall to family members. And most family members want to help care for you. But many caregivers reported their own health has declined as a result of caregiving.⁴ Nearly one-third considered their caregiving to be emotionally stressful.⁴ Do your plans currently provide the best for your family? Allowing your family members to take on a more administrative role may allow your loved ones to care for you out of want, not need.

²Activities of Daily Living (ADLs) include: Bathing, Contenance, Dressing, Eating, Toileting and Transferring, as defined in the Policy.

³American Association for Long-Term Care Insurance, 2010 AALTCI Sourcebook.

⁴National Alliance for Caregiving in collaboration with AARP, Caregiving in the U.S., Nov. 2009.

“I am still too young to worry about long term care.”

A surprising number of younger people recognize a need for long term health coverage. More than one-fourth of the long term care insurance policies sold in one recent year were purchased by people 44 years old and younger.⁶ Nearly two-thirds of the policies covered people less than 55 years old. And since Long Term Care insurance pricing is based on health and age, younger consumers may be able to take advantage of lower pricing and/or health discounts during early years. And after you receive a discount, it cannot be removed because of changes in age or health. Have your plans missed something that has caused other people to act?

“I am still too healthy.”

Good health is a big advantage that can slip away without warning. It may be because of age, sickness, an accident or something else, but health is a precious gift that should not be taken for granted. There are millions of injury-related accidents that occur every year.⁵ And new cases of Alzheimer’s and Parkinson’s disease are diagnosed every day. After your health has diminished, it may become difficult to obtain insurance that can help you fund your care. Are you taking advantage of your best health now to save costs in the future? You do not want to wait until it is too late.

“My retirement income and savings are adequate.”

You may have been saving for years in order to have a long enjoyable life. But will you outlive your money? Life expectancy continues to climb by more than 1 year each decade.⁵ As we live longer, we require more funds to sustain our lifestyle. And should a long term care need arise, each year of professional care could cost \$38,000 to \$80,000 a year⁶, depending on the amount of care you need. Are you sure your resources will outpace inflation, a longer life, and still provide the standard of living and freedom of choice you desire?

“I don’t want to think about it.”

A major house fire. A severe car accident. Some events are hard to think about, but you still carry insurance for them in order to protect yourself, your family and your finances. Your future will happen whether you think about it or not. By preparing for the unknown now, you may have a greater control of what steps are taken in the future. You may also have more care and facility choices because you planned ahead. Do yourself and your family a favor by addressing this subject now. Consider TransCare® II Long Term Care insurance, which can help protect your future assets and freedom of choice.

⁵Health, United States, 2010: With Special Feature on Death and Dying, p. 221, 309, prepared by the National Center for Health Statistics. 2011. (<http://www.cdc.gov/nchs/data/hus/hus10.pdf>)

⁶American Association for Long-Term Care Insurance, 2010 AALTCI Sourcebook.

HOW CAN TRANSCARE® II HELP?

TransCare® II Long Term Care Insurance

Your Partner in Planning

Plan for the Unexpected

A solid financial plan, hard work and saving for your future are key to helping you achieve your retirement goals. However, no matter how much forethought goes into a financial plan, a long term need could seriously impact what you have spent a lifetime saving. Planning early for an unfortunate accident or a future long term care need can pay off both financially and emotionally for you and your family. And exploring possibilities while you are still healthy, may provide more savings and available options.

Help Protect Your Assets

Long term care services are expensive, and it can negatively impact savings and the investment that may be needed to maintain your standard of living now and in the future. So ask yourself, if an extended illness or injury left you or a loved one needing long term care, how would you pay for the necessary care? Many people are surprised to find that their existing medical or disability insurance policies may not cover long term care. When long term care expenses alone can run over \$80,000 a year⁷, even substantial savings can be depleted quickly. It is possible to be left with inadequate care, less assets for your healthy spouse to live on, and/or a smaller inheritance to pass on to your loved ones. TransCare® II Long Term Care insurance can help you shift some of the financial risk to the insurance company.

Help Protect Your Loved Ones

Often a person's need for long term care affects his or her family - spouse, children, even brothers or sisters. Families and close friends may be the first people to devote time and other resources to meeting your long term care needs. If you require assistance for even a few Activities for Daily Living (Bathing, Continence, Dressing, Eating, Toileting and Transferring), the toll on your caregivers can be significant. The stress on their own physical and emotional health may be minimized with the protection and assistance provided by a Transcare® II Long Term Care policy.

Help Protect Your Independence

Unfortunately, long term care deprives some people of the independence they have always valued. But Transcare® II can help provide you with the opportunity to preserve your freedom of choice, now and in the future. You can be fully involved today in assessing your potential needs and planning for any care you might require at the Policy levels you choose. If a sudden illness or unexpected accident affects your ability to express yourself and your desires down the road, planning now can help guide others in making decisions that reflect your own choices.

⁷American Association for Long-Term Care Insurance, 2010 AALTCI Sourcebook.

What TransCare® II Provides

TransCare® II Long Term Care insurance provides a wide range of benefits. Because it emphasizes care at home, TransCare® II may help you stay at home for as long as possible with Home Care and Adult Day Care benefits. Remain at Home benefits may also include meeting home-stay challenges such as home modification and caregiver training. For more extensive care needs, benefits cover Long Term Care Facilities, Respite Care and Hospice Care. Your agent/producer can help you customize a Policy that meets your own needs.

Tax Advantages of a TransCare® II Policy

TransCare® II Long Term Care insurance is intended to be a tax-qualified policy. The costs of qualified Long Term Care insurance can qualify as deductible medical expenses. Since nursing-home care can be so expensive and insurance for such care is growing in popularity, this deduction may apply to many taxpayers. You may also be able to use tax shielded funds, such as a health savings account (HSA) or a 1035 exchange to pay your TransCare® II Long Term Care insurance premiums. Consult with your financial or tax advisor for assistance.

Note: Employee LTCi contributions are currently not eligible for pre-tax consideration under IRS sec. 125 plans. Neither Transamerica Life Insurance Company nor any of its agents give legal, tax, or accounting advice. Please consult your tax advisor.

How TransCare® II Works

TransCare® II Long Term Care insurance helps pay for your care and helps to protect your assets by paying for long term care expenses up to your chosen Maximum Daily Benefit amount. The Policy provides benefits for a wide variety of long term care services.

All you need to do is follow the steps below to help your insurance agent/producer customize a plan that fits your needs.

1. With your agent/producer, determine the amount of assets you would like to help protect from the high cost of long term care services.
2. Review the benefits in the TransCare® II Product Brochure with your agent/producer and family to learn about what benefits are available and what benefits are right for you.
3. Select a Maximum Daily Benefit, Policy Maximum Amount and your Elimination Period.
4. Choose any Optional Benefits and the Premium Payment method you want.
5. Your insurance agent/provider may help guide you through the Long Term Care insurance application process and submit your application for underwriting and review, with acceptance subject to approval by the company.

ABOUT TRANSAMERICA LIFE INSURANCE COMPANY
AND
TRANSCARE® II

Your Partner for the Long Term

An unforeseen long term care need could seriously impact your future. TransCare® II can help protect your hard-earned savings from the high cost of long term care services. With TransCare® II, you can benefit from the resources of one of the largest financial services companies and the experience that only a company with over 300,000⁹ policyholders can provide.

TransCare® II Long-Term Care insurance is designed with your needs in mind. It provides you with the flexibility and options you want to customize a Policy that can fit your needs.

For more information, call your licensed insurance agent/producer or contact Transamerica Life Insurance Company and we will have a licensed insurance agent/producer contact you.

TRANSAMERICA LIFE INSURANCE COMPANY

TRANSCARE®
Individual Long Term Care Insurance

II

This is an individual Long Term Care insurance policy underwritten by Transamerica Life Insurance Company, Cedar Rapids, IA. You must qualify before you can receive benefits under the policy. The policy explains how the insured can qualify for benefits. Please see the policy for these and other important policy provisions. Benefits and premiums may vary by policy. Exclusions and limitations apply. Contact your insurance agent/producer for details or call Transamerica Life and we will have a licensed insurance agent/producer contact you. Policy ICC10 TLC-3.

Transamerica Life Insurance Company

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