TIP SHEET

Long-term care planning: 5 potential benefits for high-net-worth families

Long-term care (LTC) planning isn't just about affording care — it's about protecting your wealth, preserving your liquidity, and maintaining control over your financial strategy. High-net-worth families often assume they'll self-insure future care needs, but doing so can introduce risk, tax inefficiencies, and disruption to the legacy they've worked hard to build. Currently, there are families spending as much as $30,000 or more per month on 24-hour in-home care.

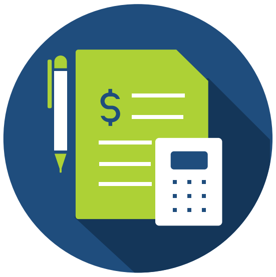
Here are five ways strategic LTC planning can support long-term goals:

1. Protect Portfolio Performance

Paying for long-term care directly from investment accounts — especially during a market downturn — can erode growth and interrupt compounding.

Tip: Use LTC coverage to provide an off-market funding source that allows your portfolio to stay invested and perform as intended.

2. Reduce Estate Tax Exposure



Holding assets in reserve for potential care costs may increase your taxable estate.

Tip: LTC coverage structured within an ILIT or gifting strategy can help reduce exposure and support a more tax-efficient transfer of wealth.

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3. Preserve Charitable Giving Plans

Care events can delay or diminish philanthropic gifts if capital must be reallocated unexpectedly.

Tip: Protect assets intended for giving by planning ahead with LTC coverage — and unlock flexibility to donate during your lifetime.

4. Minimize Family Stress and Conflict

Coordinating and funding care often falls to one child, especially in blended families or complex estate structures.

Tip: Cash indemnity policies simplify logistics, offer flexibility, and reduce the emotional and financial burden on family members.

5. Gain Leverage and Flexibility with Modern Policy Designs

Today's hybrid LTC solutions offer guaranteed premiums, tax-free benefits, return-of-premium features, and strategic ownership options.

Tip: Plan early to access better underwriting, more favorable pricing, and broader structuring opportunities.

If you're considering your options, or haven't revisited your long-term care strategy in a while, now's the time. Contact us to discuss solutions tailored to your financial goals, family priorities, and legacy plan.