Selling Short-Term Care Insurance

A Primer Specially For Krause Financial Brokers



Age Health Cost

1

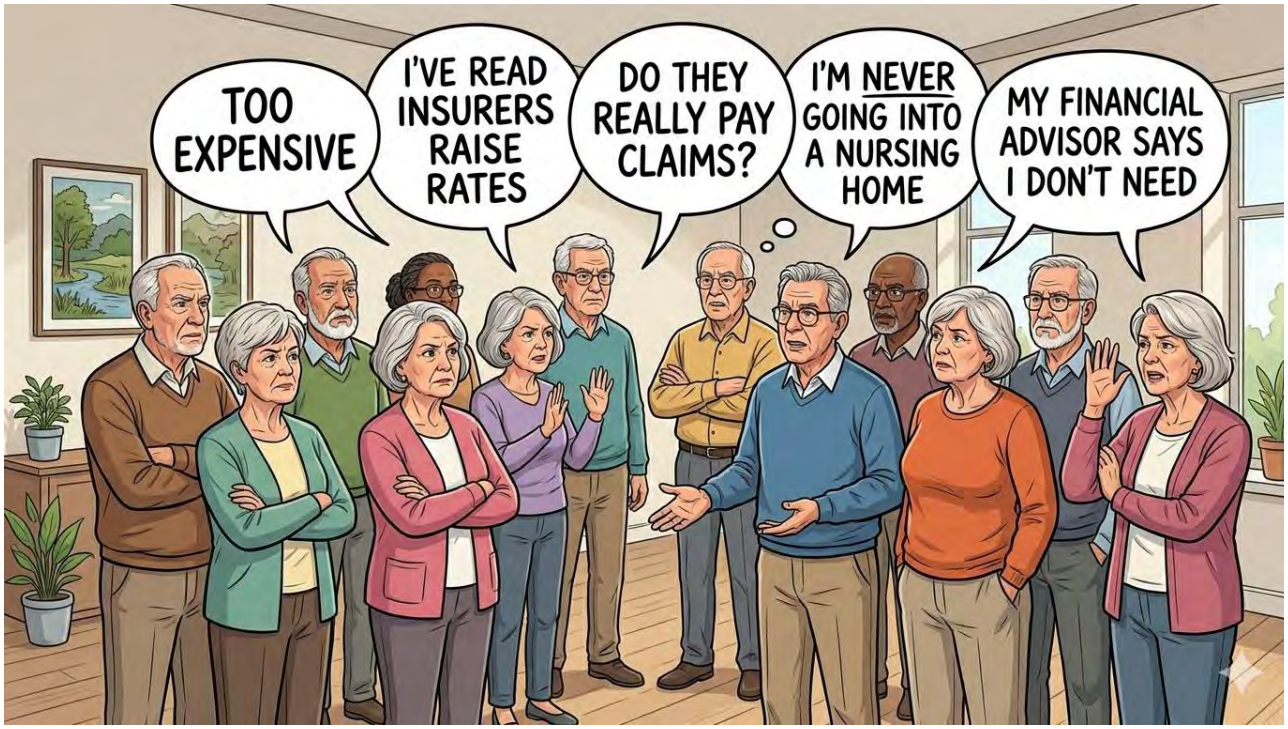


For Agent & Broker Education Only
Prepared April 2026 – All Details Subject To Change
May NOT Be Used Or Duplicated Without Written Permission

Jesse Slome
Founder & Director Emeritus
American Association for
Long-Term Care Insurance

Email: jslome@aaltci.org

2


TOO EXPENSIVE
I'VE READ INSURERS RAISE RATES
DO THEY REALLY PAY CLAIMS?
I'M NEVER GOING INTO A NURSING HOME
MY FINANCIAL ADVISOR SAYS I DON'T NEED

3


"When an agent offers a 'Plan B' immediately after a prospect declines 'Plan A', they are treating the relationship as a transaction, not an advisory consultation. They prioritize a quick sale over understanding the client's actual needs."
OPTION 1
OPTION 2
OPTION 2

4

1. Begin By Positioning Yourself As A Long-Term Care Planning Advocate / Specialist



5

2. Offer An “Education First” Approach

Talk About The ”GAP" In Their Medicare Coverage



6

35 Million Americans Have Advantage Plans

Now More Than Half Of Americans (54%)



Industry data and the 2026 Medicare landscape reports from the Kaiser Family Foundation (KFF) and the National Council on Aging (NCOA) confirm that **Medicare Advantage (MA) plans do not pay for long-term custodial care.**

While MA plans are often marketed with "extra benefits," these are generally supplemental health supports, not a substitute for long-term care insurance.

The "Custodial Care" Gap

The primary reason for this lack of coverage is the definition of "medical necessity."

- **Medical vs. Custodial:** Medicare and MA plans are designed to pay for **skilled medical care** (rehabilitation, nursing, or therapy). They specifically exclude **custodial care**, which is non-medical assistance with "Activities of Daily Living" (ADLs) like bathing, dressing, and eating. +1
- **The 100-Day Limit:** Even for skilled care (like rehab after a stroke), MA plans follow the same rules as Original Medicare: they only provide coverage for up to **100 days**. After 100 days, the policyholder is responsible for **100% of the costs**.

7

The Medicare Advantage Misconception

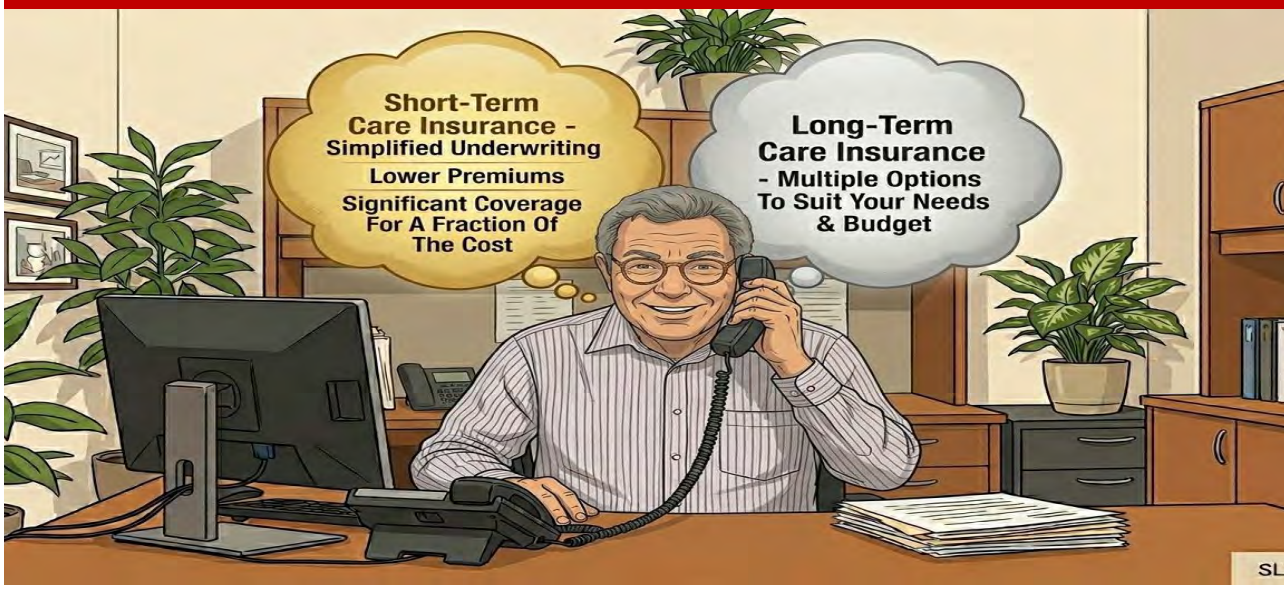
"Special Supplemental Benefits"

Since 2019, CMS has allowed MA plans to offer "Special Supplemental Benefits for the Chronically Ill" (SSBCI). While these sounds like long-term care, the data shows they are very limited:

Benefit Type	Prevalence in 2026 Plans	Real-World Limitation
In-Home Support Services	**~7% of individual plans**	Usually limited to 20–60 hours *per year*, not per month.
Caregiver Support	**~5% of individual plans**	Typically provides only 4–12 hours of respite care annually.
Bathroom Safety Devices	**~21% of individual plans**	One-time allowance for grab bars, not ongoing care.
Home-Delivered Meals	**~57% of individual plans**	Usually limited to 2–4 weeks immediately following a hospital discharge.

8

3. Up-Front, Explain Offering A Range Of Options To Give You The Power Of Choice



9

But They Want To!



10



Most LTC Insurance Claims Are Actually Short

40% LAST LESS THAN 1 year

45% BETWEEN 1 & 5 years

15% LAST MORE THAN 5 years

Data Reported by the American Association for Long-Term Care Insurance, October 2024

11



It Should Be Called Home Care Insurance



Approximately 70% of new long-term care insurance claims begin with care at home.

One-third of home care claims eventually "recover," meaning the policyholder improves enough to go off-claim.

Data Reported by the American Association for Long-Term Care Insurance, Misc. dates

12



"Currently In A Highly Selective Underwriting Environment"

DECLINE RATE – LTC Insurance

Age 75 – 79	76 %
Age 70 – 74	63 %
Age 65 – 69	55 %
Age 60 – 64	46 %
Age 50 – 59	40 %

2023 Milliman Long Term Care Survey, Broker World, July 2023

"One of the biggest myths I encounter is the idea that these programs are always available whenever you're ready.
In reality, the door closes much sooner than most people realize."

13

Aetna – Has Been The Market Leader
In Short-Term Care Insurance



1. The "Observation Stay" Gap

This is perhaps the strongest selling point for agents.

- **The Problem:** Medicare generally only pays for skilled nursing facility (SNF) rehab if the patient was a hospital **inpatient for 3+ days.**
- **The Aetna Solution:** Recovery Care Choice pays benefits for facility stays even if the patient was under **"observation status,"** which is becoming increasingly common. It also does not require a prior hospital stay at all for the Nursing Facility/Assisted Living benefit to trigger.

14

The Medicare Advantage "Wildcard"

Recent 2025 surveys of nursing home providers found that Medicare Advantage plans are **denying or delaying** medically necessary post-acute care for roughly **two-thirds** of nursing home residents. While some MA plans waive the "3-midnight" rule, many still use "Observation Status" as a tool to deny the transition to a skilled nursing facility, forcing seniors to either pay out-of-pocket or go home without the necessary rehab.

3. The Medicare Advantage "Denial" Rate

Recent 2025 surveys of nursing home providers indicate a high friction rate for Medicare Advantage (MA) beneficiaries:

- **66% of Providers Reporting Issues:** Roughly **two-thirds** of nursing home facilities report that Medicare Advantage plans are delaying or denying medically necessary post-acute care transitions.
- **Lower Conversion Rates:** While **48%** of traditional Medicare observation visits are eventually converted to inpatient status (allowing for SNF coverage), only **26%** of Medicare Advantage observation visits get converted. This means MA beneficiaries are nearly **twice as likely** to be denied the inpatient status they need for rehab coverage.

15

Aetna – Has Been The Market Leader
In Short-Term Care Insurance





2. Core Policy Specs

- **Issue Ages:** 50–89 (excellent for clients who have aged out of traditional Long-Term Care insurance).
- **Daily Benefits:** Ranges from **$10 to $300 per day** for Nursing Facility or Assisted Living.
- **Choice of Benefit Periods:** 90, 180, 270, or 360 days.
- **Elimination Periods:** 0, 20, or 100 days.
- **Restoration of Benefits:** Benefits can restore after 6 months of non-use, effectively "resetting" the policy for future needs.

16

Aetna – Has Been The Market Leader
In Short-Term Care Insurance



4. Underwriting & Eligibility

- **Simplified Underwriting:** There are no "build charts" (height/weight requirements) for Aetna Recovery Care.
- **Knock-out Questions:** It uses a series of "Yes/No" health questions and a prescription drug check.
- **Age-Based Requirements:** For applicants **age 75+**, a phone health interview is standard.
- **"Buy with Health":** As discussed before, because insurers are highly selective, this is a "buy it while you're healthy" product. If a client already requires help with ADLs (Activities of Daily Living), they will be declined.

17

GTL – The New Favorite Of Many Selling
Short-Term Care Insurance



1. No Hospital Stay Required

The most critical sales point is that **Recover Cash does not require a prior 3-day hospital stay** to trigger benefits for Nursing Home or Assisted Living care. This allows you to pivot away from the "Observation Status" trap that often denies Medicare Part A coverage.

2. The "TCARE" Caregiver Support

A unique differentiator for GTL is the **Family Caregiver Benefit** (available via the Home Health Care rider).

- It includes access to **TCARE**, a concierge support service that provides assessments and resources for family members who are providing care.
- It can pay a lump sum (e.g., **$3,500**) directly to the insured, which can be used to "pay" or support an informal family caregiver—something most traditional policies won't do.

18

GTL – The New Favorite Of Many Selling
Short-Term Care Insurance



1. No Hospital Stay Required

The most critical sales point is that **Recover Cash does not require a prior 3-day hospital stay** to trigger benefits for Nursing Home or Assisted Living care. This allows you to pivot away from the "Observation Status" trap that often denies Medicare Part A coverage.

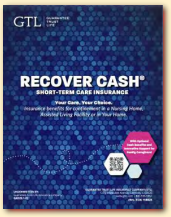
2. The "TCARE" Caregiver Support

A unique differentiator for GTL is the **Family Caregiver Benefit** (available via the Home Health Care rider).

- It includes access to **TCARE**, a concierge support service that provides assessments and resources for family members who are providing care.
- It can pay a lump sum (e.g., **$3,500**) directly to the insured, which can be used to "pay" or support an informal family caregiver—something most traditional policies won't do.

19

GTL – The New Favorite Of Many Selling
Short-Term Care Insurance





3. Policy Specs & Flexibility

- **Issue Ages:** 40–84 (slightly wider range than many competitors).
- **Daily Benefit:** $50 to $300 per day.
- **Benefit Periods:** Options include 30, 45, 60, 90, 180, or 360 days.
- **Elimination Periods:** 0 or 20 days.
- **Restoration of Benefits:** Benefits restore **once** per lifetime if the client is treatment-free and functionally capable for 6 consecutive months.

20

GTL – The New Favorite Of Many Selling
Short-Term Care Insurance



4. Underwriting Nuances

- **Simplified Underwriting:** Uses a "Yes/No" application. However, GTL does use a **height/weight (build) chart**, which is a key difference from Aetna (Aetna generally does not use a build chart for Recovery Care).
- **Age 75+ Rules:** A Personal History Interview (PHI) is mandatory for applicants age 75 and older.
- **Prescription Check:** GTL conducts a prescription drug history check on all applicants.
- **Voice Verification:** Portal applications often require a voice verification call from the applicant at the time of sale.

21

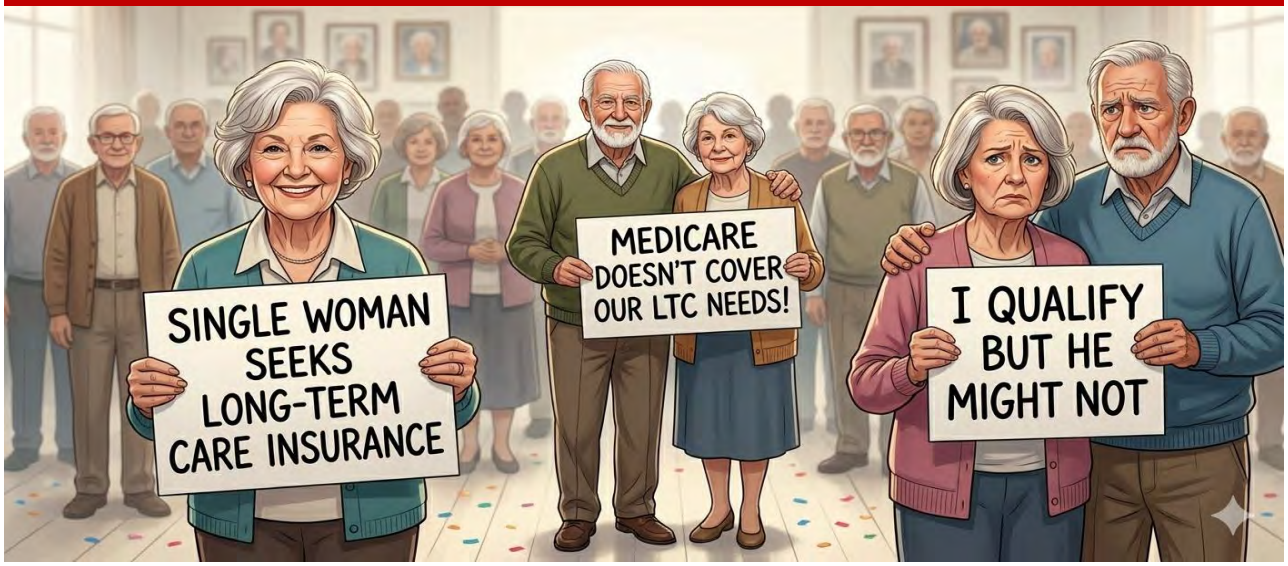
GTL vs. Aetna Comparison for Agents

Feature	GTL Recover Cash	Aetna Recovery Care Choice
Spousal Discount	**Yes (10%)**	Usually No
Build Chart	**Yes** (Strict on Ht/Wt)	**No** (More lenient)
Caregiver Support	Included (TCARE)	Not standard
Prior Hospital Stay	Not Required	Not Required
Hospital Indemnity	Optional Rider	**Built-in (required)**

Strategic Positioning: If you have a couple where both are relatively healthy and fit within a standard build chart, **GTL** is often the better value due to the spousal discount. If you have a client who is overweight but otherwise healthy, **Aetna** is usually the easier path for approval.

22

Let's Focus On Your Prime Prospects
For Short-Term Care Insurance



23

Prime Prospects
For Short-Term Care Insurance



Mutual Of Omaha Secure Solutions

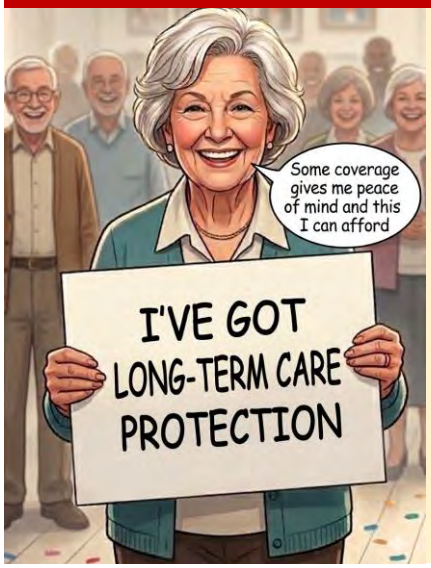
Age 63 Single Female
Select Health

$7,500 per-month ($250/day)
Benefit @ Age 80 = $180,000
NO Inflation Growth 90-Day EP

Premium Cost: $2,857

24

Prime Prospects
For Short-Term Care Insurance



Aetna Recovery Care (older version)

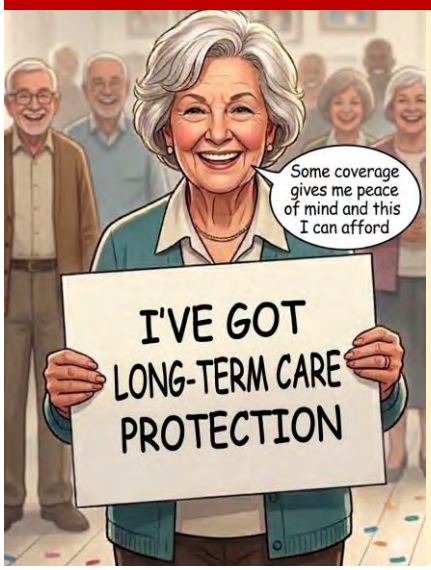
Age 63 Single Female
Good Health

$250 per-day for 360 Days
$1,200 / Week Home Care for 52 Weeks
NO Inflation Growth 100-Day EP (0 Day Home Care)

Premium Cost: $1,451

25

NOW MINIMIZE THE SKILLED CARE
Care At Home Where You Want To Be



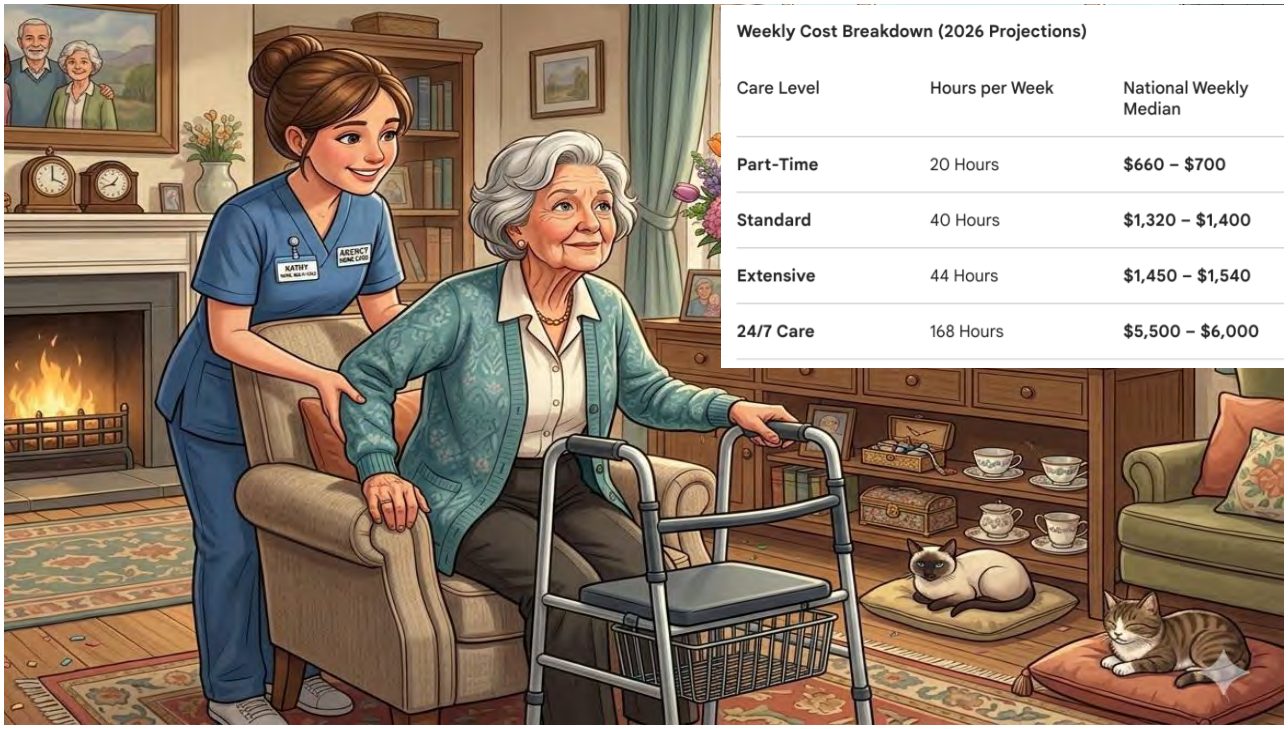
Aetna Recovery Care (older version)

Age 63 Single Female
Good Health

$1,200 / Week Home Care for 52 Weeks
0-Day Elimination Period

Premium Cost: $746

26



Weekly Cost Breakdown (2026 Projections)

Care Level	Hours per Week	National Weekly Median
Part-Time	20 Hours	**$660 – $700**
Standard	40 Hours	**$1,320 – $1,400**
Extensive	44 Hours	**$1,450 – $1,540**
24/7 Care	168 Hours	**$5,500 – $6,000**

27

Prime Prospects
For Short-Term Care Insurance



Mutual Of Omaha Secure Solutions

Age 73 Single Female
Select Health

$7,500 per-month ($250/day)
Benefit @ Age 80 = $180,000
NO Inflation Growth 90-Day EP

Premium Cost: $6,620

28

Prime Prospects
For Short-Term Care Insurance



Aetna Recovery Care (older version)

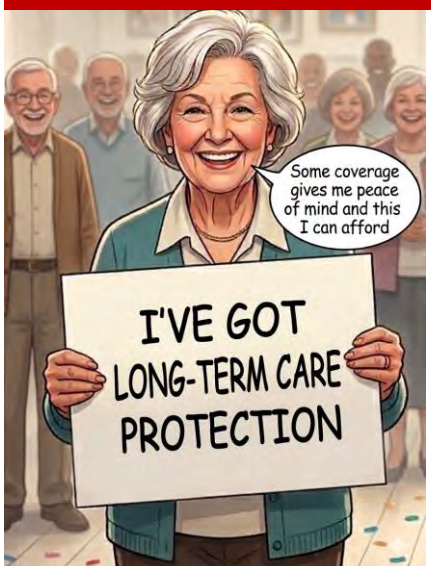
Age 73 Single Female
Good Health

$250 per-day for 360 Days
$1,200 / Week Home Care for 52 Weeks
NO Inflation Growth 100-Day EP /) Day Home Care

Premium Cost: $3,419

29

NOW MINIMIZE THE SKILLED CARE
Care At Home Where You Want To Be



Aetna Recovery Care (older version)

Age 73 Single Female
Good Health

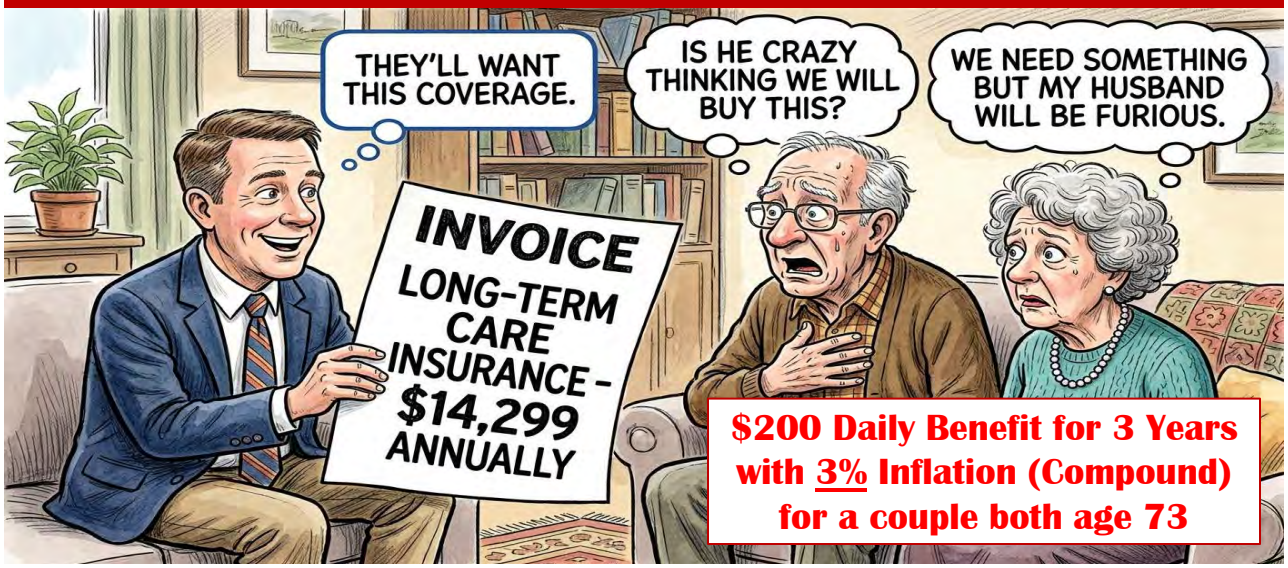
$1,200 / Week Home Care for 52 Weeks
0-Day Elimination Period

Premium Cost: $1,578
for $62,400 of Potential Benefits

30

WHAT MANY AGENTS DO WRONG

The "This Is What You Need" Plan

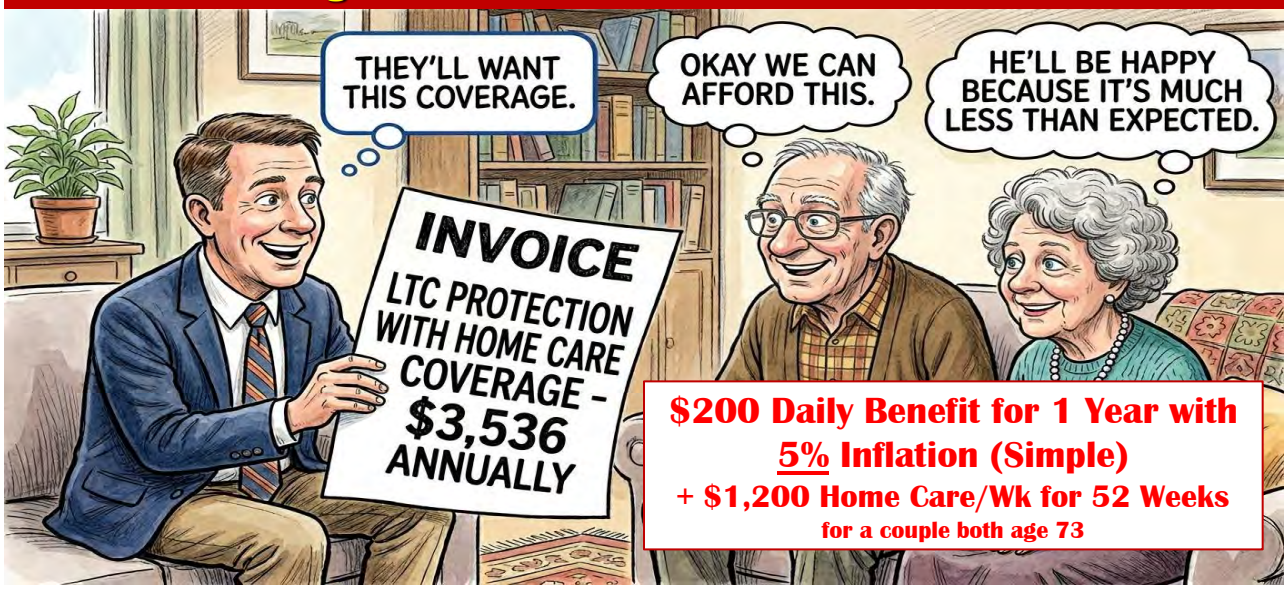


$200 Daily Benefit for 3 Years with 3% Inflation (Compound) for a couple both age 73

31

A GTL Short-Term Care Plan

"Some Coverage Is Better Than None … At A Price You Can Afford"

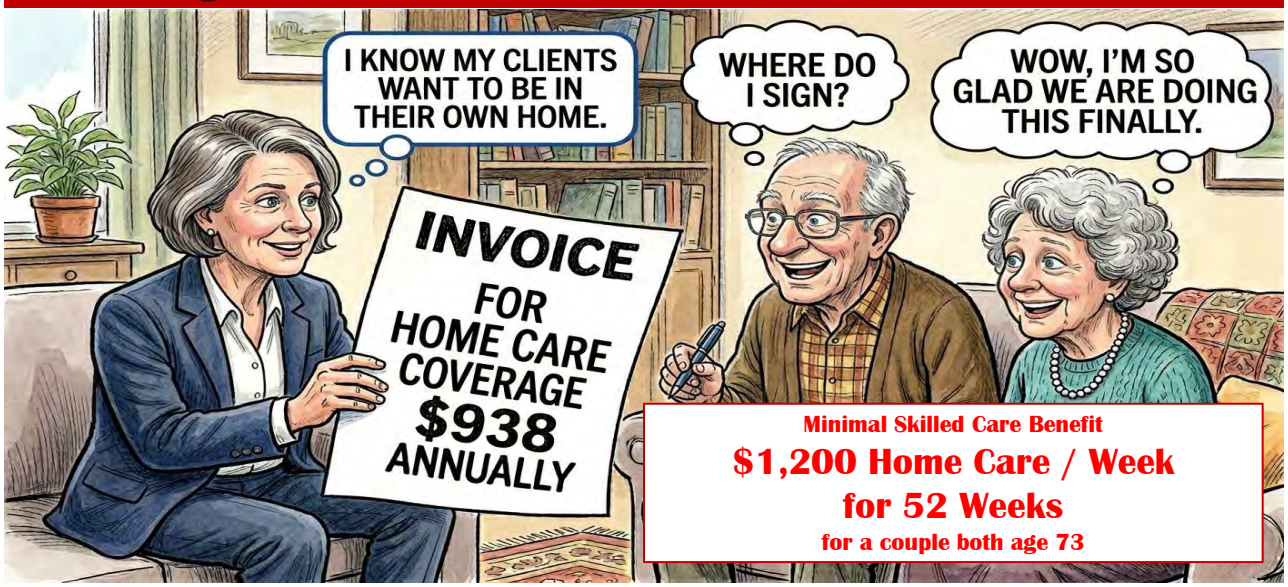


$200 Daily Benefit for 1 Year with 5% Inflation (Simple)
+ $1,200 Home Care/Wk for 52 Weeks
for a couple both age 73

32

GTL – A Home Care Plan

"Allowing You To Remain In York Own Home – Where You Want To Be"



Minimal Skilled Care Benefit

$1,200 Home Care / Week

for 52 Weeks

for a couple both age 73

33

Effective Close: "If you needed care tomorrow, which account would you drain first to pay the $1,200-a-week home health bill?"

This shifts the focus from the cost of the premium to the risk of the loss.



34


APPOINTED AGENT SUCCESS
PROFESSIONAL EXCELLENCE
TAKE THE NEXT STEPS ... GET APPOINTED TO SELL SHORT-TERM CARE INSURANCE
CONTRACTS
aetna
MARKET POTENTIAL
INSURABILITY
ELIGIBILITY
COMMISSION GROWTH
I'M PROTECTED
LESS COST
GROWTH GROWTH
GET APPOINTED NOW!
GET APPOINTED NOW!
GET APPOINTED NOW!
NEXT STEP: SIGN UP!
aetna
NEXT STEP: Recover Cash Cafe!
NOW!

35


SOME COVERAGE IS ALWAYS BETTER THAN NONE
PEOPLE WANT TO REMAIN IN THEIR OWN HOME
YOU'RE GETTING THE COVERAGE YOU NEED AT A PRICE YOU CAN AFFORD
INSURANCE
COVERAGE YOU NEED, AFFORDABLE PRICE

36


QUESTIONS
Selling
Stupt Fenn
Care Insurence
Jesse Slome
E: jslome@aaltci.org

37