

PREMIUM CALCULATION

State: **FL**
Prepared for: **Cindy**
Birthdate:
Age: **63**

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Policy Benefits You Have Chosen

Partnership Plan	Yes
Policy Type	Comprehensive
Gender	Female
Underwriting Class	Ultra Prefrd
Facility Daily Benefit	\$140
Facility Benefit Period	2 Years
Pool of Money	\$102,200.00
Elimination Period	90 Days
Inflation Protection	3% Compound
Nonforfeiture	Contingent
Restoration of Benefit	No
Waiver of HHC EP	No
Enhanced Elim Period	No
Monthly Home Care	Monthly
Survivorship	No
Shared Care	No
Shared 3rd Pool	None
Joint Waiver of Premium	No
Partner Discount	No
Group Discount	No
Loyalty Credit	No
Payment Option	Lifetime
Modal Factor	Annual

Premium **\$2,207.23**

Mass Mutual, Signature Care 500 2013 is a tax qualified plan.

This is an independent illustration not provided or approved by the issuers of the policies shown. Use the Insurer's forms and software for Insurer-approved quotes and applications.

Mass Mutual, Signature Care MM-500 2013

Cost of Waiting

If you decide that long term care insurance is the right decision to protect your assets and your family's financial future, the best time to buy it is now. By doing this:

You avoid the risk of needing care you will have to pay for yourself.

You avoid the risk of developing a condition that would make you uninsurable later.

You pay lower premiums now, rather than paying higher premiums later.

The tables below show the cost of waiting and buying later, assuming that premiums do not change, you remain insurable, and you buy the coverage shown in this illustration. The Daily Benefit is increased 5% for each year you wait, to cover the increased cost of care over time.

Client: Cindy **Age: 63** **DOB:** **State: FL**

Partnership Plan	Yes	Enhanced Elim Period	No
Policy Type	Comprehensive	Monthly Home Care	Monthly
Gender	Female	Survivorship	No
Underwriting Class	Ultra Prefrd	Shared Care	No
Facility Daily Benefit	\$140	Shared 3rd Pool	None
Facility Benefit Period	2 Years	Joint Waiver of Premium	No
Pool of Money	\$102,200.00	Partner Discount	No
Elimination Period	90 Days	Group Discount	No
Inflation Protection	3% Compound	Loyalty Credit	No
Nonforfeiture	Contingent	Payment Option	Lifetime
Restoration of Benefit	No	Modal Factor	Annual
Waiver of HHC EP	No		

Age at Purchase	Facility Daily Benefit	Premium	Premiums Paid to Age 90	Cost of Waiting
63	\$140	\$2,207	\$59,595	\$0
65	\$154	\$2,755	\$68,871	\$9,276
67	\$170	\$3,358	\$77,231	\$17,635
69	\$188	\$4,524	\$94,997	\$35,401
71	\$207	\$5,812	\$110,433	\$50,838
73	\$228	\$7,680	\$130,558	\$70,962

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Mass Mutual, Signature Care MM-500 2013

Break-Even Analysis

Some clients considering long term care insurance are concerned that the benefits of coverage may not be worth the cost in premiums paid. This illustration shows how the benefits you receive when you need care compare with the premiums you have paid up to that time.

Specifically the table below shows the number of days of receiving benefits until you have received back all the money you have paid in premiums. At this point you have "broken even" and any further benefits are over and above your cost of insurance.

If you have chosen an inflation protection or benefit increase option, then the table uses your maximum daily benefit at the time you begin to receive benefits, which is higher than your initial daily benefit.

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Premium **\$2,207.23**

Years Premium Paid

1
5
10
15
20
25

Days to Recover Premiums Paid

16
74
139
194
242
283

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Mass Mutual, Signature Care MM-500 2013

Inflation Protection - 3% Compound

Compound inflation protection is an automatic annual increase in your policy's Daily Benefit and Lifetime Benefit. The annual increase is 3% of your current Benefit, added to your benefit each year. Increases to Lifetime Benefit may be net of any claims paid.

Long-term care costs have increased in the past, and are expected to increase in the future. Inflation protection increases your benefits to keep up with the increased cost of care.

Cost increases are compounded over time; the increase each year is a percentage of last year's cost. Compound Inflation Protection increases benefits each year by a percentage of the previous year's benefit, and thus is more likely to keep up with long-term care costs, compared to simple annual increases.

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Elimination Period	90 Days	Group Discount	No
Inflation Protection	3% Compound	Loyalty Credit	No
Nonforfeiture	Contingent	Payment Option	Lifetime
Restoration of Benefit	No	Modal Factor	Annual
Waiver of HHC EP	No		

<u>Age</u>	<u>Facility Daily Benefit</u>	<u>Lifetime Benefit</u>	<u>Premium</u>
63	\$140.00	\$102,200.00	\$2,207.23
65	\$148.53	\$108,424.00	\$2,207.23
67	\$157.57	\$115,027.00	\$2,207.23
69	\$167.17	\$122,032.20	\$2,207.23
71	\$177.35	\$129,464.00	\$2,207.23
73	\$188.15	\$137,348.30	\$2,207.23
75	\$199.61	\$145,712.80	\$2,207.23
77	\$211.76	\$154,586.80	\$2,207.23
79	\$224.66	\$164,001.10	\$2,207.23
81	\$238.34	\$173,988.80	\$2,207.23
83	\$252.86	\$184,584.70	\$2,207.23
85	\$268.25	\$195,826.00	\$2,207.23
87	\$284.59	\$207,751.80	\$2,207.23
89	\$301.92	\$220,403.90	\$2,207.23
91	\$320.31	\$233,826.50	\$2,207.23

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Mass Mutual, Signature Care MM-500 2013

Inflation Protection - 5% Compound

Compound inflation protection provides an automatic annual increase in your policy's Daily and Lifetime Benefit. The annual increase is 5% of your current Benefit, added to your benefit each year. Increases to Lifetime Benefit may be net of any claims paid.

Long-term care costs have increased in the past, and are expected to increase in the future. Inflation protection increases your benefits to keep up with the increased cost of care.

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Pool of Money	\$102,200.00	Partner Discount	No
Elimination Period	90 Days	Group Discount	No
Inflation Protection	5% Compound	Loyalty Credit	No
Nonforfeiture	Contingent	Payment Option	Lifetime
Restoration of Benefit	No	Modal Factor	Annual
Waiver of HHC EP	No		

<u>Age</u>	<u>Facility Daily Benefit</u>	<u>Lifetime Benefit</u>	<u>Premium</u>
63	\$140.00	\$102,200.00	\$3,481.21
65	\$154.35	\$112,675.50	\$3,481.21
67	\$170.17	\$124,224.80	\$3,481.21
69	\$187.61	\$136,957.80	\$3,481.21
71	\$206.84	\$150,996.00	\$3,481.21
73	\$228.05	\$166,473.20	\$3,481.21
75	\$251.42	\$183,536.70	\$3,481.21
77	\$277.19	\$202,349.20	\$3,481.21
79	\$305.60	\$223,090.00	\$3,481.21
81	\$336.93	\$245,956.80	\$3,481.21
83	\$371.46	\$271,167.30	\$3,481.21
85	\$409.54	\$298,962.00	\$3,481.21
87	\$451.51	\$329,605.70	\$3,481.21
89	\$497.79	\$363,390.30	\$3,481.21
91	\$548.82	\$400,637.80	\$3,481.21

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Alternative Premiums

This shows premiums for different choices of benefit levels. You can use the information to choose the best combination of benefits for your policy, given the costs.

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Premiums Facility Benefit Period	<u>Elimination Period</u>		
	30 Days	60 Days	90 Days
2 Years	\$2,648.68	\$2,427.96	\$2,207.23
3 Years	\$3,241.23	\$2,971.12	\$2,701.02
4 Years	\$3,632.31	\$3,329.61	\$3,026.92
5 Years	\$3,987.83	\$3,655.51	\$3,323.20
6 Years	\$4,230.78	\$3,878.21	\$3,525.65

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