

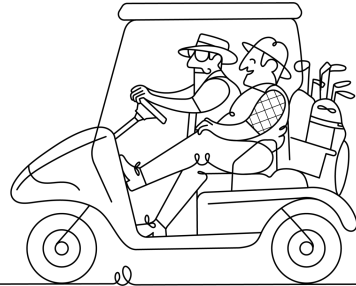
**wellabe**<sup>®</sup>

Medico  
Insurance Company  
A Wellabe Company

**Prepare today  
to make a better  
tomorrow**

Short-term Care Insurance<sup>1</sup>

00351 Rev.02/24



Thank you for taking time to meet with me today. I'd like to discuss why Short-term Care insurance coverage is so important and how Wellabe's plan can help your financial well-being.

## Why Short-term Care insurance?



## Extended care services<sup>2</sup>

### **NEED FOR LONG-TERM CARE SERVICES:**

---

70% chance for those turning 65

### **NEED FOR AT-HOME PAID CARE:**

---

42% of people need less than 1 year

### **NEED FOR ANY CARE IN FACILITIES:**

---

Nearly 40% of people need less than 1 year

According to the Administration for Community Living, someone turning age 65 today has almost a 70% chance of needing some type of long-term care services and supports in their remaining years. On average, 42% of people need less than 1 year of at-home paid care and 37% of people need less than 1 year of any skilled care in facilities.<sup>2</sup>

## Extended care costs

### The estimated national average costs are:<sup>3</sup>

- \$253 a day or \$7,698 per month for a private room in a nursing home
- \$119 a day or \$3,628 per month for care in an assisted living facility (one-bedroom unit)
- \$44 per hour for a RN, \$31 per hour for a LPN, \$20.50 per hour for a health aide
- \$20 per hour for homemaking services

**Average American may pay \$120,900 in future extended care costs<sup>4</sup>**

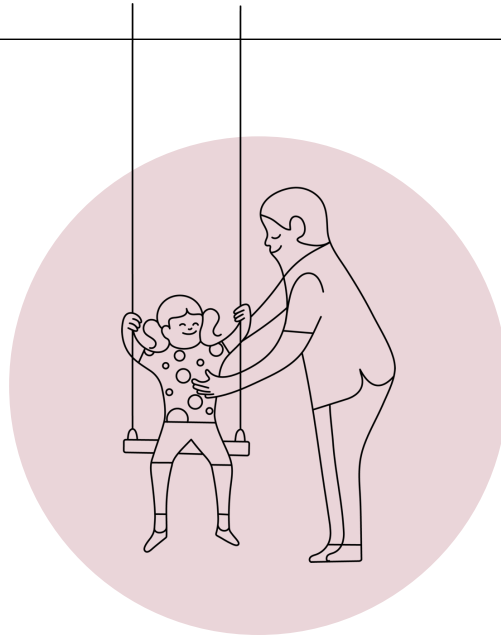


When one health care situation leads to in-home or skilled nursing assistance, it can quickly deplete funds. Extended care is expensive, and costs can add up quickly. Here's a look at the estimated national average costs in 2023, according to the U.S. Department of Health & Human Services.<sup>3</sup>

On average, an American turning 65 years old today will incur \$120,900 in future extended care costs, measured in today's dollars. Families will pay more than one-third (37%) of the costs themselves out of pocket, with the rest covered by public programs and private insurance.<sup>4</sup>

## Short-term Care insurance fills gaps

- Preparing for retirement
- Medicare<sup>5</sup>
  - Doesn't cover custodial care
  - Part A copays
  - Part B deductible
- Long-term Care insurance

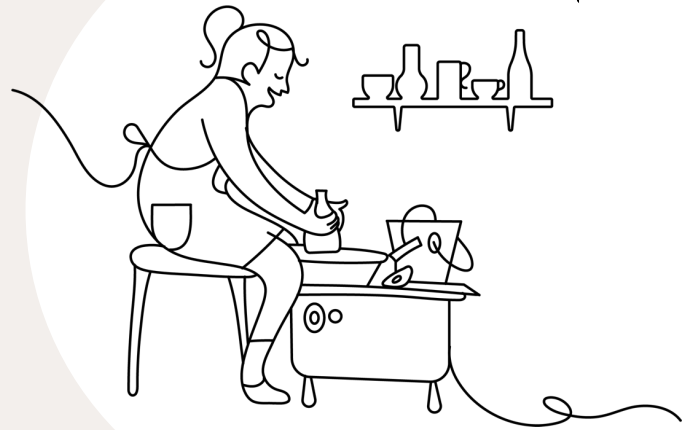


Short-term Care insurance not only helps you maintain an active lifestyle while aging in place but also makes sure your retirement savings are well protected by planning early for extended care needs. You can do more, worry less, and make every day better.

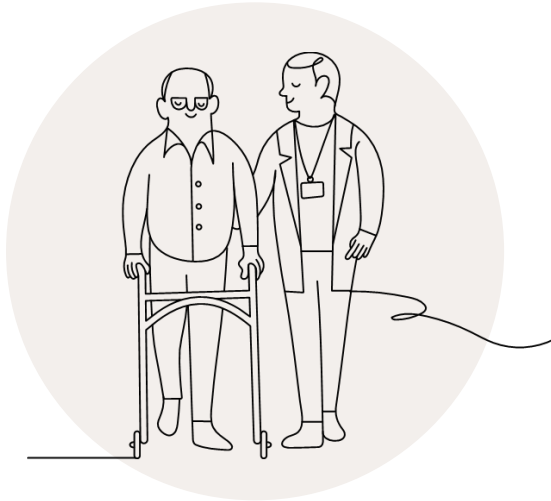
Medicare Parts A and B cover some home health services and inpatient skilled nursing facility care after a 3-day minimum medically necessary inpatient hospital stay. But they don't cover long-term custodial care.<sup>5</sup> Part A copays and the Part B deductible usually apply, which could mean steep out-of-pocket costs. Short-term Care insurance can help cover these gaps.

It can also help those who cannot qualify for or afford Long-term Care insurance. Short-term Care insurance has fewer restrictions for qualification and types of care it covers. It's commonly less expensive than Long-term Care insurance, and it provides immediate benefits after the elimination period. Considering many individuals with Long-term Care insurance only need care for less than one year, Short-term Care insurance just makes sense.

## Short-term Care plan basics



Wellabe's Short-term Care plan is a product that offers coverage for extended care at home. It covers both medical and non-medical care. It's an indemnity-based plan, not a reimbursement. The full benefit is paid per day, no matter what service is received. Plan options are reflexive based on how you answer the 11 health questions on the application.



### Extended care coverage

- Issue ages 40–89
- Coverage for in-home services
- Both medical and non-medical help
- \$10–\$300 daily benefit up to 360 days<sup>6</sup>
- Receive full benefit amount per day
- One-time restoration of benefits

If you're between the ages of 40 and 89, you can apply for Short-term Care insurance. Your health can positively affect your premium and coverage — the better your health, the better the coverage.

Short-term Care insurance offers coverage for extended care in your home. It covers both medical and non-medical care. You select a daily benefit amount per day for up to 360 days of home health care. Your plan pays you a full cash benefit for each day you receive care, no matter what service is received. In Idaho, this benefit is available up to 270 days.

If you fully recover from the condition requiring care and do not receive care for 180 consecutive days, your benefits will restore one time. The restoration of benefits is only available at the Essential Care Plus plan level.

## Plan highlights

### HOUSEHOLD IMPROVEMENT

- \$500 indemnity benefit
- Home modifications, such as installing ramps, widening doorways or hallways, modifying a bathroom, etc.

### CARE COORDINATION

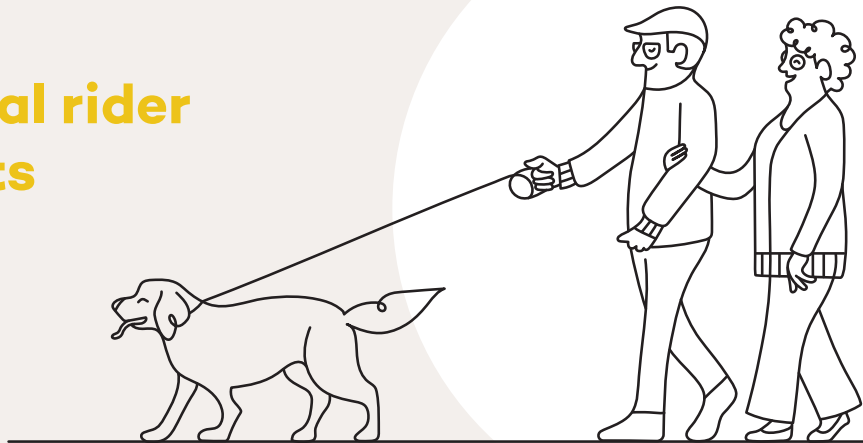
- \$500 indemnity benefit
- Help setting up a care plan when needed

Wellabe's Short-term Care insurance plan also offers benefits that make sure you're well prepared and well protected when you do need care.

- The **Household Improvement benefit** provides you \$500 for home modifications that help you remain at home, such as installing ramps, widening doorways or hallways, modifying a bathroom, and more.
- The **Care Coordination benefit** provides you \$500 to help set up a care plan when the need arises.



## Optional rider benefits



You can choose from optional benefits for an additional cost to help you create a personalized health care package to meet your needs.

## Nursing Facility Care benefit rider

- Daily benefit up to \$500 per day for up to 360 additional days of care in a facility<sup>6</sup>
- 21-day bed reservation benefit
- Eligible for one-time benefit restoration



The **Facility Care Benefit rider** allows you to elect a daily benefit up to \$500 per day for up to 360 additional days of care in a facility. In Idaho, coverage is available up to 270 days. The rider also includes a 21-day bed reservation benefit that pays the daily amount to hold a care facility room during a hospital stay. The benefit is also eligible for a one-time restoration of benefit if you fully recover and don't receive care for 180 days. The restoration of benefits is only available if you are on the Essential Care Plus plan.

## Nursing Facility Care rider with Inflation Protection

- Same benefits as Nursing Facility Care rider
- Also increases daily benefit amount by 5% of the original daily benefit on each policy anniversary



The **Nursing Facility Care Benefit rider** allows you to elect a daily benefit up to \$500 per day for up to 360 additional days of care in a facility. The rider also includes a 21-day bed reservation benefit that pays the daily amount to hold a care facility room during a hospital stay. The benefit is also eligible for a one-time restoration of benefit if you fully recover and don't receive care for 180 days. The restoration of benefits is only available at the Essential Care Plus plan level.

## Inflation Protection rider

- Add to Home Health Care Benefit
- Increases daily benefit amount by 5% of the original daily benefit on each policy anniversary



The **Inflation Protection Benefit rider** allows you to add inflation protection to the base Home Health Care Benefit. The Inflation Protection Benefit increases the daily benefit amount by 5% of the original daily benefit on each policy anniversary. There may be benefit limitations in your state.

## Adult day care rider

- Pays \$50 per visit up to 20 visits
- Eligible for one-time benefit restoration



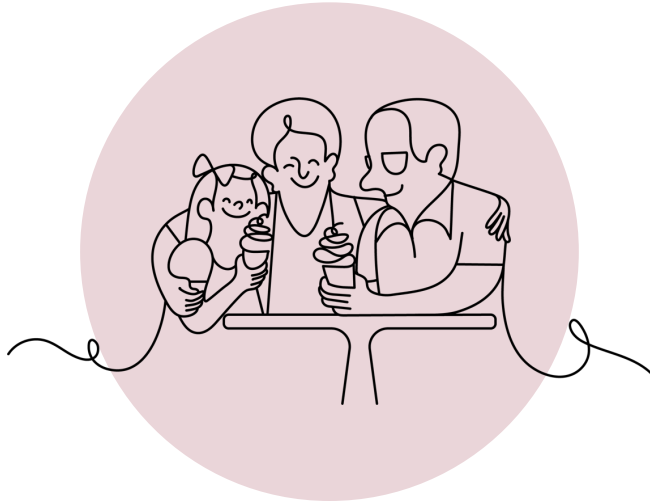
**The Adult day care** rider pays \$50 per visit up to 20 visits in an adult day care setting. Adult day care optional rider is only available at the Essential Care and Essential Care Plus plan levels.

The benefit is also eligible for a one-time restoration of benefit if you fully recover and don't receive care for 180 days. The restoration of benefits is only available at the Essential Care Plus plan level.

## Return of premium rider

**Portion of premium is returned if the policy is terminated:**

- 10 years: 25% of premium is returned
- 15 years: 35% of premium is returned
- 20 years: 50% of premium is returned

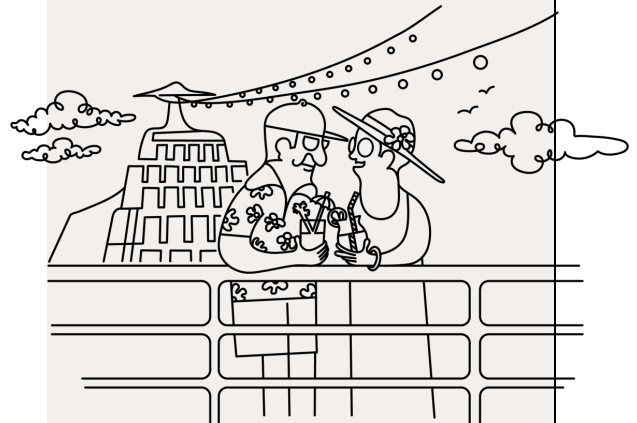


The Return of premium rider allows a portion of the premium to be returned if the policy is terminated.

This is a graded benefit based on the duration of the policy. After 10 years, 25% of premium is returned; 15 years, 35% of premium is returned; and 20 years, 50% of premium is returned. The payout is minus any claims paid at time of termination.

## Valuable discounts

- **Household discount**
  - 7% one applicant who lives with someone over 40 years old
  - 14% two people over 40 years old apply and are issued Short-term Care policy
- **Multiple policy discount<sup>7</sup>**
  - If also apply for or already have a Medicare Supplement policy, eligible for 5% discount



Couples who apply together, save together. Spouses or any two people in the same household who are over 40 years old are eligible for a 7% discount. You can double your discount to 14% if both apply and are issued a Wellabe Short-term Care insurance policy. And if you also apply for or already have a Medicare Supplement policy with any Wellabe company, you're eligible for the 5% multiple Wellabe policy discount. The multiple policy discount is not available in Ohio.

## **Customer resources**

### **Mobile app and customer portal**

- Access mobile ID cards
- View plan coverage details
- Submit claims directly
- Find a nearby provider
- Receive support quickly from Customer Success directly from the app
- Retrieve their agent's contact information
- [Wellabe.com/Customer-Resources](https://www.wellabe.com/customer-resources)



When you become a Wellabe policyholder, you can make the most of your benefits with the customer portal and mobile app. Now available through both the [App Store](#) and [Google Play](#), the free mobile app enables you to:

- Access mobile ID cards
- View plan coverage details
- Submit claims directly
- Check claims status
- Find a nearby provider
- Receive support quickly from our Customer Success directly from the app
- Retrieve your agent's contact information

Visit [Wellabe.com/customer-resources](https://www.wellabe.com/customer-resources) to get access.



## Footnotes

1. The Short-term Care product is called Home Health Care Insurance Policy in Iowa.
2. U.S. Department of Health & Human Services. <https://acl.gov/ltc/basic-needs/how-much-care-will-you-need>. 2020.
3. U.S. Department of Health & Human Services. "Costs of Care". <https://acl.gov/ltc/costs-and-who-pays/costs-of-care>. Viewed June 2023.
4. Risks and Financing, 2022 Research Brief – ASPE. Published August 2022. <https://aspe.hhs.gov/sites/default/files/documents/8f976f28f7d0dae32d98c7fff8f057f3/lts-risks-financing-2022.pdf>
5. U.S. Department of Health & Human Services and Centers for Medicare & Medicaid Services. "Medicare and You" handbook. <https://www.medicare.gov/Pubs/pdf/10050-medicare-and-you.pdf>. 2023.
6. The benefit is available up to 270 days in Idaho.
7. The multiple policy discount is not available in Ohio.

# Thank you

**Policy forms:** STC23; STC23(CO); STC23(IL); STC23(MI); STC23(MO); STC23(TX); STC23(NC); STC23(OH); STC23(SD); STC23(WY)

This product is underwritten by Medico<sup>®</sup> Insurance Company, a Wellabe company. Each underwriting company is solely responsible for its own contractual and financial obligations.

THIS IS A LIMITED POLICY. This presentation is intended to provide a general description of the plan benefits. Plan provisions and benefits may vary from state to state. Not all products are available in all states. These plans have exclusions and limitations. For costs and further details of coverage, see your producer or write to Wellabe, P.O. Box 10386, Des Moines, IA 50306-0686 or call 800-228-6080. If there is a discrepancy between the presentation and the contract, the contract language prevails. This is a solicitation of insurance, and a licensed producer may contact you.

© 2024 Wellabe, Inc. All rights reserved.

00351 Rev.02/24

34 00351 0224 US

