John Hancock
LIFE INSURANCE

LifeCare: Talking Points

Is a LifeCare policy the best solution for your clients?

1. Ask your clients a few simple questions to identify how they will cover long-term care (LTC) costs:

- Do you believe you have enough assets and/or retirement income to cover long-term care costs?
- Are you aware that Medicare provides very limited benefits for long-term care? And did you know that states are making it increasingly difficult to qualify for Medicaid?
- If a long-term care need arises, which assets would you need to sell in order to cover the costs?

2. Self-insuring discussion points:

- Relying on your savings and investments to pay for long-term care expenses is sometimes called "self-insuring."
  - The upside of self-insuring is that you keep complete control of your money and have the potential to earn some interest.
  - The downside is you risk not saving enough and are forced to deplete resources earmarked for other purposes. Not to mention that self-insuring is not the most tax-efficient means to pass money onto your beneficiaries.

3. Review the 3 options for meeting long-term care needs:

(a) The first option is to continue to **Self-Insure** your potential need for long-term care with personal income and assets; however this puts a very significant portion of your retirement savings at risk.

(b) Another option is to purchase a **Standalone Long-Term Care Insurance Policy** to cover your long-term care need. Whether a need for care arises or not, you may end up paying a premium for a benefit that you never use. If life insurance is not needed, a standalone LTC policy may be the answer.

(c) The third option is to purchase **John Hancock's LifeCare** — a single-premium policy that combines cost-efficient, guaranteed protection for both life and long-term care insurance needs — all in one easy-to-understand policy.

4. Close the sale:

Tell the LifeCare story and….

- Ask a simple set of pre-screening questions
- Run a LifeCare illustration
- Submit the ticket online or use the written form

FACTS YOU AND YOUR CLIENTS SHOULD KNOW

- At least 70% of people over age 65 will require long-term care services at some point in their lives.[1]
- The national average cost of one year of nursing home care is nearly $75,000 and round-the-clock home care can cost much more than that.[2]
- If costs continue to increase at 4.1%, in 20 years the average annual cost of care is expected to increase to $167,500.[3]

LifeCare — the single solution to help your clients protect their family, their hard earned assets and their future from the high costs of long-term care.

For more information on LifeCare, please call your local Regional Director or the LifeCare Sales Desk at 1-877-JHCOMBO (1-877-542-6626).

1. U.S. Department of Health and Human Services, National Clearinghouse for Long-Term Care Information, www.longtermcare.gov, September 2008.
2. John Hancock Cost of Care Survey, conducted by CareScout, 2008.
3. Average annual rate of inflation over the past 30 years ending December 31, 2008, using the Consumer Price Index for All Urban Consumers, Bureau of Labor Statistics, www.bls.gov.

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LifeCare, the Acceleration rider, and the Continuation rider may not all be available in some states. The Acceleration rider is automatically included with every LifeCare policy, and the Continuation rider is optional. There are additional costs associated with these riders that are included in the single premium. LifeCare with the Acceleration and/or Continuation rider is not considered long-term care insurance in some states. When the death benefit is accelerated for long-term care expenses, the death benefit is reduced dollar for dollar, and the policy cash value is reduced proportionally. Please go to www.jhsalesnet.com or your producer website for the most current state approvals.

For prospective policyholders in New York, this product is a life insurance policy that accelerates the death benefit for qualified long-term care services and is not a health insurance policy providing long-term care insurance subject to the minimum requirements of New York Law, does not qualify for the New York State Long-Term Care Partnership program and is not a Medicare supplement policy.

The Acceleration rider has exclusions and limitations, reductions of benefits, and terms under which it may be continued in force or discontinued. Consult the state specific Outline of Coverage for additional details.

Guaranteed product features are dependent upon minimum premium requirements and the claims-paying ability of the issuer.

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