

A New Way To Pay For Long-Term Care A Different Type Of Annuity

(NAPSA)—A relatively new type of annuity is changing the way many retirees look at funding long-term care.

Commonly referred to as hybrid annuities, these annuities offer long-term care benefits while still providing growth advantages that traditional annuities offer.

“When you think about how to pay for long-term care in the future, most people don’t automatically think of annuities,” said Mutual of Omaha Product Performance Director Yuri Veomett. “Hybrid annuities, however, can be an appealing option.”

Many people expect to self-fund long-term care but they don’t realize the average cost of care in a nursing home is about \$75,000 per year. Realistically, this cost eliminates self-funding as an option for many people who still wish to protect their assets from Medicaid spend-down requirements.

What if You Never Need Long-Term Care Services?

According to Veomett, one of the best advantages of a hybrid annuity is that if you never need long-term care, many of these products offer money-back provisions, including the ability to convert the contract into lifetime income. Many products also offer survivor benefits so the funds can be passed on to an heir.

There are a handful of hybrid annuities on the market. Each is designed in a slightly different way, thus providing various payment and benefit options. For more information about annuities, visit www.mutualofomaha.com.



Hybrid annuities turn savings into long-term care protection.

What to Look For

Veomett suggests looking for the following features in a hybrid annuity:

- Benefits that leverage the value of the annuity. Since long-term care services can be expensive, it is important to have benefits that provide a material amount of coverage beyond the value of the annuity itself.

- Choice in the type of care covered. Look for a product that covers all types of care—home care, adult day care, assisted living facilities and nursing homes.

- Inflation protection. With the cost of care rising steadily, it’s important to factor in the growth of your benefit. Some products offer built-in inflation protection. Think about the level of coverage that will be available when you are most likely to need your benefits.

- Experience. Long-term care benefits are complicated. Choose a company that has experience with both annuities and long-term care insurance.