

September 9, 2003

Mr. Joe Client
1111 Main St
Any Town, USA 11111

Dear Mr. Client

We at [ABC Insurance Agency] want to thank you for your continued trust and confidence in our agency to provide you with the finest insurance protection available. We continue to look for and evaluate the latest insurance products for the benefit of our customers.

Over the last several years we have had increasing concern about the cost of Long Term Care. **Medicaid**, the only federal and state program that will pay for all forms of Long Term Care, continues to make it more difficult to qualify. First you have to be impoverished and new federal laws have made it almost impossible to transfer assets. Therefore, in most cases, you must spend your own money first. **Medicare** provides little or no benefit unless it is for skilled care and only for a limited time. Custodial care, the most common type of Long Term Care is not covered at all by Medicare. Because of increased longevity, the chance that we will need long term care at some point in our lives has increased to approximately 50%. The cost of this care is continuing to rise at an alarming rate. The average cost of a nursing home in Oregon is approaching \$50,000 per year. Currently, with an average stay of 3 years we are looking at potential loss of \$150,000. Thanks to inflation, twenty years from now that will grow to approximately \$450,000.

The only real solution for most people is Long Term Care Insurance. The good news is that excellent, well tested plans are available from many carriers. But, the choices can be overwhelming. Typical policies today, can have as many as 3,000 possible combinations of benefits. That's where we come in. We have studied what is available and can help you narrow the choices. In addition we have concluded that no one company can service the varied needs of our customers for this essential coverage. Therefore, we have contracted with multiple insurance companies to provide you with the best plans available on the market today.

Some additional good news is that you may be eligible for tax incentives from both federal and state governments towards the purchase of Long Term Care Insurance. In those states that have tax incentives, usually if there are state income taxes, they are in the form of a tax deduction, tax credits or possibly both.

I will call in a few days to set up an appointment to fill you in on this vital protection. In the meantime if you have any questions please call.

Thank you,

Joe Agent
ABC Insurance Agency