

Instead of sitting around in rocking chairs, watching life pass them by from their front porch, seniors today are running marathons, climbing mountains and swimming competitively. They're interested in maintaining their independence, retaining their dignity and providing an inheritance for their children and grandchildren. This growing market can provide you a great chance to increase your Long Term Care business. Read the facts below to discover more about America's older generation.

Public perception shows that many people believe other insurance will pay for LTC. However, Medicare, Medicare Supplement insurance, individually purchased health care or employer-provided health care does not cover Long Term Care expenses.

- Almost 50% of those aged 65 and older will need Long Term Care at some point in their lives.
- About seven million men and women age 65+ needed LTC in 1998. That number is expected to increase to nine million by 2005. That's two million new prospects! Seriously unattractive alternatives to a LTC policy include relying on savings, family, charity or borrowing money.
- One in five individuals have some kind of disability; one in 10 have a severe disability. Nine million people of all ages have disabilities severe enough to require personal assistance to help with daily activities.
- People are surviving once fatal conditions thanks to medical advances; 40% of people age 65 and older will need nursing home care. Worse yet, 90% of people age 80 to 90 will receive long term care in their lifetime.
- A person with \$250,000 in savings and assets could pay for LTC for only seven years before those assets were depleted; therefore a person with \$70,000 in savings would see it depleted in just under two years.
- Long Term Care represents the largest out-of-pocket medical expense faced by older Americans. On average, one year in a nursing home can cost \$30,000 to \$100,000 a year.

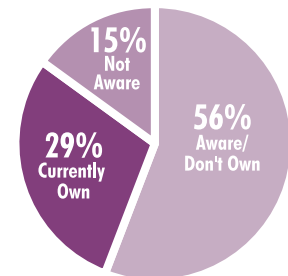
United American's Long Term Care policies give seniors the options they need to receive the care they deserve. See pages 6-7 of this issue for more information about our LTC portfolio.



At 26% of the population, the 50+ market accounts for:

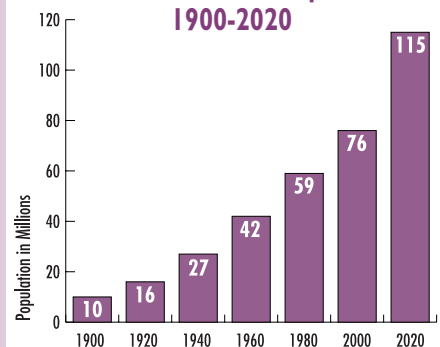
- 41%** of total consumer demand.
- 58%** of health care spending.
- 77%** of prescription medicine purchases.

Consumer Awareness and Ownership of LTC Coverage



According to the American Council of Aging, only 7% of the 65+ market has been approached to buy LTC coverage.

Growth of the 50+ Population: 1900-2020



Sources: USA Today October 23-25, 1998; Age Wave Communications 1998; National Underwriter August 3, 1998; National Underwriter June 15, 1998; The Long Term Care Handbook 1998; Life & Health Advisor November 1998; Life Insurance Selling, December 1998.