Lifetime Care Plan
Product summary



This guide is designed for professional financial advisers only. It is not intended for retail customers.

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The Lifetime Care Plan at a glance

A Lifetime Care Plan provides financial certainty for clients who are in, or about to enter, long-term care. It is an immediate needs annuity that converts a single upfront payment into a guaranteed, tax-free income for life, paid directly to your client's UK regulator registered care provider.

The plan helps cover ongoing care costs and reduces the risk of your clients assets being eroded by unpredictable expenses. By providing regular payments for life, the plan can help prevent your client from running out of money and being moved to a lower level of care under local authority provision.

The cost of the plan will depend on the level and quality of care your client requires.

Single premium limits	
Minimum single premium to start a plan	£10,000 single premium.
Maximum single premium to start a plan	There is no maximum single premium.
Top-ups	You cannot top-up an existing Lifetime Care Plan. Additional single premiums will need to be put in a new Lifetime Care Plan. The minimum to start a plan is £10,000.

Age limits at policy inception	
Minimum	60
Maximum	110

Term	
Plan term	For life. Payments will be made monthly in advance until the client passes away.

Income

The income amount is set at outset, paid monthly in advance and depends on:

- The single premium amount.
- The death benefits chosen.
- The income options chosen.
- The client's health and life expectancy.

Income can be paid on a level basis, or can increase annually between 1% and 8%, or by inflation as measured by the Retail Prices Index.

Death benefits

Guaranteed Premium Protection

If your client dies within the first six months of the start date of the plan, we'll pay their estate a percentage of the original single premium less any payments we've already made. This is known as Guaranteed Premium Protection and is included with the plan automatically.

Month of death	% of premium protected
Month 1	100
Month 2–3	50
Month 4–6	25

Please refer to the Lifetime Care Plan Key Features for full details and example illustrations of Guaranteed Premium Protection.

Additional Premium Protection

- Your client can protect 25%, 50% or 75% of their original single premium for longer than six months. Upon death, we'll pay their estate the chosen percentage, less any payments we've already made.
- If your client dies in the first six months we'll pay their estate the higher of the two amounts provided by Guaranteed Premium Protection or Additional Premium Protection, or one of the amounts if the two amounts are the same.
- Additional Premium Protection is not available if you've chosen to have the income increase annually in line with the Retail Prices Index.
- Please refer to the Lifetime Care Plan Key Features for full details and example illustrations of Additional Premium Protection.

Considerations

- Monthly payments cease on the death of your client. If Additional Premium Protection has not been selected and your client dies after the first six months of the plan, no further payments will be made.
- Your client may get back less than they paid for the plan.

Agent remuneration

Adviser charge

We can facilitate adviser charges. These can be paid as a fixed fee (£), or as a percentage (%) of the initial single premium.

Commission

Commission is not available.

Target market and unsuitable clients

Policyholder attribute	Target market	Unsuitable clients
Age	Anyone from age 60 can purchase however we expect customers needing long-term care are most likely to buy the plan in the age range of 80–95.	Customers under age 60 who require lifetime care are likely to have higher life expectancies. Therefore, the cost of the plan would be prohibitive as it would require significant upfront costs.
Fund size	This product is available for total premium of £10,000 but we anticipate that most customers may require a premium above £50,000 due to the increasing cost of care in the UK.	Customers with total premium less than £10,000.
Length of investment	Customers who are looking for a guaranteed income to pay towards their care costs for the rest of their life. Require a payment towards lifetime care who are a UK regulator registered care provider.	Clients who are looking to fund care fees for a fixed term. Clients who do not want to risk losing any of their initial single premium value in the event they die before it is fully recouped. The Lifetime Care Plan does not offer 100% protection (after Month 1).
Health status	The product is for clients who are likely to be in poor health and in the final years of their life who require lifetime care.	Not currently receiving care or about to enter care which is not expected to be permanent. There may be more suitable methods of funding as the client may not need care costs funding for life.

Policyholder attribute	Target market	Unsuitable clients
Likely attitude for risk and appetite for flexibility	Clients who would like a guaranteed monthly income for life to pay towards their lifetime care costs. Not willing to take the risk of funding from capital or investments due to fear of running out of money and having to downgrade the quality of care. Must be aware of inflation risk on fixed level of income, or where the level of escalation chosen is not high enough to keep up with increasing care costs. Willing to forgo part of their initial investment if they die before they recoup the fund value. Like the idea that they may receive back more than they pay in up front. Would like the option to build in death benefits to guarantee return of a percentage of capital in the event of early death.	Clients who want to ensure they get back at least what they paid for the plan. The client must be comfortable that the Lifetime Care Plan is based on life expectancy risk, and they may not get back what they paid in but may benefit from total payments made exceeding the initial single premium value if they live longer.

L&G's approach to vulnerable customers

We understand that customers can experience vulnerability at any time in their lives. Circumstances can change suddenly or slowly, either temporarily or permanently. We are dedicated to identifying and supporting customers who need extra care.

We consider vulnerable customers at every stage of the customer journey. By learning from customer feedback and industry best practice, we continually enhance the support we provide to those who need it most.

We are committed to providing additional support to vulnerable Lifetime Care Plan customers at every stage of the servicing journey.

How we support vulnerable customers:

- Vulnerability is a key consideration in all product design, literature, and process improvements.
- We use clear, straightforward language across every communication channel and avoid jargon.
- We have robust oversight and controls in place to ensure the fair treatment of vulnerable customers.
- We proactively record and share relevant vulnerability information (with consent, where needed) so every interaction is tailored to the customer.
- Regular training ensures all staff, both new and existing, have the skills to recognise and assist customers in vulnerable circumstances.
- Extensive consumer testing with diverse customer groups helps us confirm that our products, services, and communications are understandable and accessible.
- Intermediaries are expected to comply with their obligations to treat vulnerable customers fairly.
- Our Lifetime Care Plan is only sold to customers through Independent Financial Advisers, ensuring they receive suitable advice from a qualified professional who understands their circumstances.
- We undertake checks to ensure customers have the capacity to make informed decisions about buying a Lifetime Care Plan. For those who lack capacity, we ensure a legal representative is in place.

Get in touch

We have a range of information and support at **legalandgeneral.com/adviser/annuities**

Meet our team at **legalandgeneral.com/adviser/annuities/distribution-team**

Quote queries

We have a dedicated team of specialists available to assist you with any quote requests or to discuss any queries.

You can email the team at:

lcp@landg.com

You can call the team on:

0345 070 2459

Lines are open Monday to Friday, 9am to 5pm.

We may record and monitor calls. All our call centres are UK based. Call charges may vary.

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