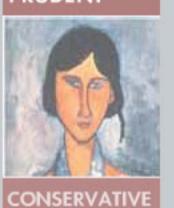
PRUDENT



"Most of us are concerned about having a major sickness prior to age 65, because there is a five times greater likelihood of getting cancer, heart attacks, strokes, bypasses, basically a bad list of stuff, all before age 65," he says.

direction with the product, particularly by identifying the need for both products at different

At age 65, critical illness is less of a concern and long-term care becomes the priority because clients have likely accumulated enough assets that they can ride out an illness, but they will likely not have the funds for the skyrocketing costs of long-term care.

"By the time you've hit age 65, hopefully you've paid off debts such as your house, and you're looking a lot like a bank. You might even have a couple of million dollars stashed away, and that's great," he says. "That's good money to have in case of emergencies, but if you need to go into a long-term care facility today, it can be anywhere from \$60,000 to \$120,000 of after-tax money."

Halpern expects long-term care costs to double every nine years because of inflation, and elderly clients in need of long-term care may soon greatly outnumber long-term care facilities.

Nevertheless, he says that he's not completely sold on the bundled feature and right now would probably use two different policies with his clients.

"I like where the product is going, but when you're dealing with a bundled product, there are more words and ink on the paper in terms of what you're allowed to do and at what age," he says. "There is a whole bunch of limitations. For example, with the RBC product, you're only eligible for the conversion between age 55 and 65, and some people may not want to convert until after that."

Filed by Mark Noble, Advisor.ca, Mark.Noble@advisor.rogers.com

(06/22/07)

life stages.

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