

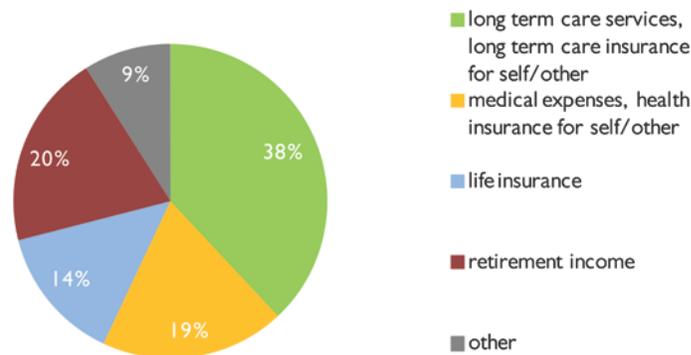
## LIFE SETTLEMENTS HELP SENIORS PAY FOR HEALTHCARE, LONG TERM CARE AND RETIREMENT INCOME NEEDS

**Coventry enables seniors to sell their life insurance policies to finance their medical and long term care needs.**

FORT WASHINGTON, PA, 20 June 2013 – A substantial majority of insureds who sell their life insurance policies use the proceeds to cover immediate healthcare costs, finance their long term care needs or supplement retirement income. With 10,000 baby boomers turning 65 every day and healthcare and long term care costs on the rise, seniors are looking for ways to fund these vital needs.

In an analysis of 100 insureds who sold their life policies to Coventry First in the past year, 77% report that they primarily used the proceeds to pay for immediate medical or healthcare needs, long term care services or to increase retirement income. Another 14% reported they used the proceeds to fund a new life insurance policy or retain a portion of their existing policy without the requirement to pay ongoing premiums.

### BREAKDOWN OF HOW POLICYOWNERS USED THEIR LIFE SETTLEMENT PROCEEDS



Source: Coventry First, LLC

“We’ve seen a steady shift in the use of life settlement proceeds to address healthcare and long term care needs over the past few years,” said Alan Buerger, CEO and co-founder of Coventry, adding “The downturn of the economy combined with the increase in the number of seniors in need of long term care and rising healthcare costs is a major reason people are selling their policies.”

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Buerger also noted that a number of the largest insurance companies have either left the long term care insurance market or have significantly raised rates for these policies, placing seniors in more dire straits when faced with immediate long term care needs.

According to a June 2013 [London Business School Report](#), life settlements pay policyowners an average of more than four times what they would receive from surrendering their policy back to the life insurance company. “Overall, the evidence suggests that the life settlement market has helped significantly in enhancing the welfare of policyowners who, instead of surrendering, sold their policies in the secondary market,” according to the authors.

States are experiencing exponential growth in Medicaid spending for long term care services and life settlements are an important private sector solution that enables seniors to choose the level and type of long term care they need, pay for it themselves, and, in the process, save states money on Medicaid. A growing number of states – at least 10 now – are promoting life settlements as an alternative to Medicaid. Texas recently became the first state in the country to adopt a Medicaid Life Settlement Law that could divert thousands of seniors from Medicaid and save the state tens of millions of dollars annually.

Mr. Buerger concluded, saying, “Life settlements are a well-established and well-regulated option for seniors who own life insurance that is no longer needed and who are faced with immediate medical expenses or who are planning ahead for their long term care needs.”

For information about how to sell your unneeded or unwanted life policy, contact Coventry at 877.836.8300 or visit [www.coventry.com](http://www.coventry.com).

### **About Coventry**

Coventry created the secondary market for life insurance. By uniquely bridging insurance and capital markets, the company pioneered the life settlement industry and opened a new class of longevity-based assets for institutional investors worldwide. Today, Coventry is a global financial services firm leading the development of a robust longevity market. [www.coventry.com](http://www.coventry.com).

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