



## LONG TERM CARE RIDER OVERVIEW

The Long Term Care (LTC) Rider provides for the acceleration of life insurance death benefits on an indemnity basis if the insured qualifies as a chronically ill individual. The LTC Specified Amount is equal to 100% of the base policy face amount, so the full face amount of the policy can be accelerated over the life of the LTC Rider.

The LTC Rider is only available on TransACE<sup>®</sup> policies with a level death benefit option (Option L), must be elected in the application, and may only be added at policy issue. LTC Rider coverage will be fully underwritten. A supplemental application will be used specifically for the rider.

## TRANSACE<sup>®</sup> LONG TERM CARE RIDER AT-A-GLANCE

<b>Benefit Type</b>	Indemnity
<b>Issue Age</b>	18–80
<b>LTC Specified Amounts</b>	Minimum: \$25,000 (\$100,000 for Select risk class on the base policy and subject to state variations) Maximum: \$1,000,000
<b>LTC Underwriting Risk Classes</b>	<ul style="list-style-type: none"> <li>• Preferred Nonsmoker</li> <li>• Standard Nonsmoker</li> <li>• Standard Smoker</li> </ul> Substandard ratings ranging from table A–D are available for standard risks. <b>Note:</b> LTC Rider is not available on policies rated higher than table D (or equivalent); LTC Rider and base policy may have different risk classes
<b>LTC Benefit Amount (see chart below)</b>	Maximum benefit payment is the lesser of: <ul style="list-style-type: none"> <li>• 2% per month of the LTC Specified Amount when LTC benefits begin; or</li> <li>• The per diem amount allowed by HIPAA times the number of days in the month</li> </ul>
<b>Benefit Eligibility Trigger</b>	Chronically Ill <ul style="list-style-type: none"> <li>• Unable to perform, without Substantial Assistance, two or more of six specified Activities of Daily Living (ADLs) for an expected period of at least 90 days (bathing, continence, dressing, eating, toileting and transferring); or</li> <li>• Severe Cognitive impairment</li> </ul>
<b>Example of Qualifying LTC Services (not exhaustive list)</b>	<ul style="list-style-type: none"> <li>• Long Term Care Facility Confinement</li> <li>• Home Health Care Services</li> <li>• Home Care Services</li> <li>• Adult Day Care in an Adult Day Care Center</li> <li>• Hospice Care by a Hospice Care Provider</li> <li>• Respite Care</li> </ul>
<b>Elimination Period</b>	90 service days on which the insured has incurred Qualified LTC Services expenses (needs to be satisfied only once)
<b>Claims Coverage</b>	50 U.S. States, District of Columbia and Canada only
<b>Tax Qualified Status</b>	IRC Section 7702B(b)



**LTC RIDER FEATURES**

**Guaranteed Level LTC Rider Charges:** The TransACE LTC Rider charges are guaranteed and will not increase during the life of the policy.

**Residual Death Benefit:** Available after the LTC Rider maximum amount has been paid.

- Equal to the lesser of 10% of the policy face amount from inception less any outstanding policy loans; or
- \$10,000

**Policy Lapse Protection:** Policy will not lapse while the Rider benefits are being received even if the policy's net cash value is not sufficient to pay the monthly deduction due.

**Waiver of LTC Rider Charges:** LTC Rider charges waived while on claim; all other policy monthly deductions continue.

**Comparison chart displaying approximate maximum LTC benefit (in bold) that can be received.**

LTC Specified Amount <b>\$250,000</b>	2% of LTC Specified Amount –monthly basis	2014 HIPAA per diem*
Monthly (30 days)	<b>\$5,000</b>	\$9,900
Annually	<b>\$60,000</b>	\$120,450

LTC Specified Amount <b>\$1,000,000</b>	2% of LTC Specified Amount –monthly basis	2014 HIPAA per diem*
Monthly (30 days)	\$20,000	<b>\$9,900</b>
Annually	\$240,000	<b>\$120,450</b>

\* Minimum monthly benefit is \$500. The HIPAA per diem for 2014 is \$330. The monthly benefit, if chosen according to the HIPAA per diem amount, will fluctuate depending on the number of days in the month. Calculations are for maximum benefit and the policy owner may choose to receive a lower amount.

For more information on the TransACE Long Term Care Rider, please refer to the TransACE Long Term Care Rider and Underwriting Guide.

For more information on submitting TransACE Long Term Care Rider business, please refer to the Guide to Doing Business Flyer.

**Contact us today for more information.**