CLIENT GUIDE

Long-Term Care, Made Easier.

Four ways to prepare for future care - depending on how you want to fund the plan, protect assets and provide value if care is never needed.

PREPARED FOR YOU BY

Your insurance professional

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START WITH THE GOAL

What do you want your long-term care plan to

There is more than one way to prepare for future care. Start with the outcome and funding approach that matter most.

1	**Maximize dedicated LTC protection** Coverage designed specifically for long-term care, with flexible benefit choices.	TRADITIONAL LTC
2	**Protect care needs and leave a legacy** Combine long-term care benefits with life insurance value if care is never needed.	LIFE + LTC HYBRID
3	**Reposition an existing asset** Use savings, CDs or an annuity to create a larger pool for qualifying care.	ANNUITY + LTC
4	**Keep life insurance primary** Add access to life insurance benefits if qualifying long-term care or chronic illness needs arise.	LIFE + CARE RIDER

A common benefit trigger

Many long-term care policies and riders require the insured to be unable to perform at least 2 of 6 Activities of Daily Living (ADLs) without substantial assistance, or to have a qualifying severe cognitive impairment. Exact definitions and requirements vary by policy.

YOUR OPTIONS

Traditional LTC Insurance

Dedicated coverage designed specifically to help pay for long-term care.

HOW IT WORKS

Traditional long-term care insurance is built specifically for extended-care needs. Policies can be designed around a monthly or daily benefit, benefit period, elimination period and inflation protection. Eligible benefits may help pay for home care, assisted living, adult day care or nursing facility care, depending on the policy. Because the coverage is dedicated to LTC, it can provide substantial care benefits relative to the premium, but premiums are generally not guaranteed and may increase by class with regulatory approval.

USUALLY A GOOD FIT IF...

- You want dedicated LTC protection
- A death benefit is not a priority
- You are comfortable with ongoing premiums

WHY PEOPLE CHOOSE IT

- Flexible benefit design
- Premiums can be spread over time
- Inflation options may help benefits keep pace
- Can provide substantial dedicated care coverage

WHAT TO CONSIDER

- No death benefit if care is never needed
- Premiums may increase
- Medical underwriting can be strict
- Benefits, exclusions and elimination periods vary

YOUR OPTIONS

Hybrid Life Insurance + LTC

Long-term care protection combined with life insurance value.

HOW IT WORKS

Hybrid life/LTC policies combine life insurance with benefits that can be used for qualifying long-term care. If care is needed, policy benefits may be available for eligible care. If care is never needed, a death benefit generally remains for beneficiaries. Funding structures, guarantees, benefit pools and payment methods vary by product, so the policy should be evaluated based on its specific contractual guarantees rather than the category alone.

USUALLY A GOOD FIT IF...

- You want LTC protection and life insurance value
- Legacy planning matters
- You have assets or cash flow available to fund the policy

WHY PEOPLE CHOOSE IT

- Provides value whether care is needed or not
- Some products offer guaranteed premium schedules
- Return-of-premium features may be available
- Multiple funding and benefit designs may be available

WHAT TO CONSIDER

- Can require significant upfront or short-pay funding
- May provide less dedicated LTC leverage than some traditional designs
- Guarantees and benefit methods vary by product
- More design decisions upfront

YOUR OPTIONS

Hybrid Annuity + LTC

Reposition existing savings into a contract with enhanced long-term care benefits.

HOW IT WORKS

Annuity/LTC solutions use a deposit - often from savings, CDs or an existing annuity - to fund an annuity that may provide enhanced benefits for qualifying long-term care. If care is never needed, remaining contract value can generally remain available under the annuity's terms and may pass to beneficiaries. These designs can appeal to people who prefer asset repositioning instead of an ongoing insurance premium.

USUALLY A GOOD FIT IF...

- You have savings, CDs or an existing annuity to reposition
- You prefer a lump-sum funding approach
- You want to preserve value if care is never needed

WHY PEOPLE CHOOSE IT

- Can leverage an existing asset for care
- Generally avoids ongoing premium payments after funding
- Remaining annuity value can retain legacy value
- Underwriting may be different from other LTC approaches

WHAT TO CONSIDER

- Requires assets available to reposition
- Care leverage and inflation options vary
- Annuity liquidity and surrender provisions matter
- Tax treatment and exchanges should be reviewed carefully

YOUR OPTIONS

Life Insurance + Care Rider

Life insurance first, with access to benefits if qualifying care needs arise.

HOW IT WORKS

This approach starts with a life insurance policy and adds a long-term care or chronic illness rider. Depending on the rider, qualifying events may allow part of the policy's death benefit to be accessed early. Using rider benefits generally reduces the amount ultimately available as a death benefit. LTC riders and chronic illness riders are not identical: benefit triggers, payment methods, charges, tax treatment and whether benefits are intended specifically for qualified LTC expenses can differ.

USUALLY A GOOD FIT IF...

- Life insurance is your primary need
- You want an additional care safety net
- You prefer one policy addressing more than one risk

WHY PEOPLE CHOOSE IT

- Keeps life insurance as the primary benefit
- Can add meaningful access to benefits during life
- May be simpler than purchasing a separate LTC policy

WHAT TO CONSIDER

- Using benefits generally reduces the death benefit
- May provide less care coverage than dedicated LTC solutions
- LTC and chronic illness riders differ
- Policy funding and rider terms must be reviewed

HOW BENEFITS WORK

Important features to compare

The product category is only the starting point. These design choices can materially change how coverage works.

BENEFIT AMOUNT & PERIOD

How much the policy can pay and for how long. Some plans use a monthly benefit; others define a total pool of money.

ELIMINATION PERIOD

A waiting or qualification period that may need to be satisfied before benefits become payable.

INFLATION PROTECTION

An option that can increase available benefits over time. Designs and costs vary.

REIMBURSEMENT VS. INDEMNITY

Some policies reimburse eligible expenses up to a limit; others may pay a defined benefit once claim requirements are met.

HOME CARE & FACILITY CARE

Covered settings and service requirements vary. Review how the policy treats care at home, assisted living and nursing facilities.

RESIDUAL VALUE

Hybrid policies may preserve a death benefit or contract value when care benefits are not fully used.

AT A GLANCE

Compare the four long-term care strategies

A quick way to see what each approach is primarily designed to accomplish.

OPTION	PRIMARY PURPOSE	FUNDING	LEGACY VALUE	PRIMARY STRENGTH
Traditional LTC	Dedicated LTC	Usually ongoing	No death benefit	Flexible dedicated care coverage
Life + LTC Hybrid	LTC + life	Varies; often lump/short pay	Generally yes	Care + legacy value
Annuity + LTC	LTC + annuity	Typically asset deposit	Remaining value	Asset repositioning
Life + Care Rider	Life first	Life premium schedule	Generally yes	Life protection + care safety net

The right strategy depends on more than the product name.

Health, age, available assets, premium preferences, desired care benefits and legacy goals all affect which approach may fit best. Specific guarantees, benefit triggers, exclusions and payment methods are determined by the actual policy.

This guide is educational and does not describe every product feature or policy variation.