



**Nationwide**<sup>®</sup>  
is on your side

Long-Term Care Rider,  
available on Nationwide  
YourLife<sup>®</sup> No-Lapse  
Guarantee SUL II

Product guide

LIFE INSURANCE + LONG-TERM CARE

# Affordable long-term care coverage for two people with one policy



## Long-term care benefits each insured can count on

Nationwide® has a way to add a Long-Term Care (LTC) Rider **for up to two people** on one life insurance policy. It's an affordable and flexible way to help ensure you have funds to pay for LTC expenses while addressing legacy and estate planning needs.

The Nationwide Long-Term Care Rider, offered at an additional cost, is not available in all states. Protections and guarantees are subject to the claims-paying ability of Nationwide Life and Annuity Insurance Company.

The Long-Term Care Rider has exclusions, limitations, reductions of benefits and terms under which the rider may be continued in force or discontinued. For more details on cost and coverage options, contact your financial advisor.

# Add a Long-Term Care Rider for up to two people on one policy

If you need life insurance and want a plan for dealing with long-term care (LTC) costs, adding an LTC Rider to your Nationwide life insurance policy may be a good solution for you.

In fact, the LTC Rider, available on **Nationwide YourLife® No-Lapse Guarantee SUL II**, helps you cover LTC costs for one or both insureds with one life insurance policy. It's a flexible solution for many life scenarios:



## ADULT CHILD AND PARENT

Help cover LTC expenses for a parent and an adult child.



## SPOUSES

Help cover LTC expenses and preserve a legacy for your children.



## DOMESTIC PARTNERS

Help cover LTC expenses and protect your assets.

FACT:

**90%** of seniors say they want to age in place at home<sup>1</sup>

<sup>1</sup>“Aging in Place,” Jane E. Brody, The New York Times (May 2, 2016).

# Your LTC Rider

## 1

### GETTING STARTED

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- Determine the amount of life insurance you need
- Determine the amount of LTC coverage for each insured; each insured can select between 10% and 50% of the policy's total specified amount

## 2

### USING THE BENEFITS

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- Monthly receipts and paperwork are not needed<sup>2</sup>
- The long-term care benefits are paid directly to the policyowner after qualifying requirements are met
- Each insured has access to his or her own pool of long-term care benefits

## 3

### LEAVING A LEGACY

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- If no LTC benefits are used, the entire death benefit will be paid to the beneficiaries upon the death of the second insured
- If LTC benefits have been used, any remaining death benefit will be paid to the beneficiaries upon the death of the second insured<sup>3</sup>

Please remember that both insureds planning to elect the rider coverage must be in good health, because they will be fully underwritten for the life insurance policy and the LTC Rider.

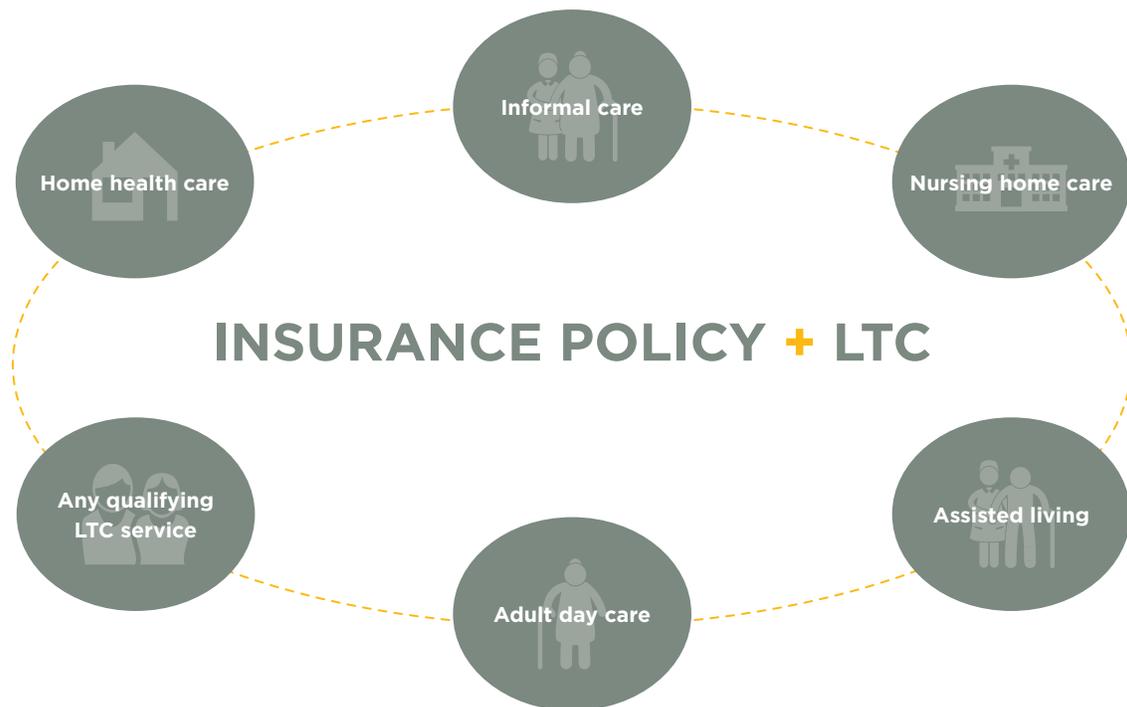
<sup>2</sup> Bills and monthly receipts may be requested to validate a claim.

<sup>3</sup> If both insureds use all of their LTC benefits, a guaranteed minimum death benefit will be paid to their beneficiaries.

### CASH INDEMNITY BENEFIT

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LTC rider benefits are paid directly to the policyowner once the insured has qualified for claim. Monthly receipts and paperwork are not required (cash indemnity-style benefit). Once you meet the requirements and elimination period, the rider benefits will help cover the costs of LTC care, such as:



This rider does not cover any expense that results from:

- Suicide, intentionally self-inflicted injuries or attempts at suicide (either while sane or insane)
- Committing or attempting to commit a felony
- Alcoholism or drug addiction, unless addiction results from administration of drugs for treatment prescribed by a physician
- War or any act of war, whether declared or undeclared

# How you qualify for benefits

Three things have to happen in order for monthly LTC benefits to begin for each insured:

1

Your licensed health care practitioner must certify that (a) you have a severe cognitive impairment, OR (b) you are unable to perform two or more of the following activities of daily living for a period of 90 calendar days:

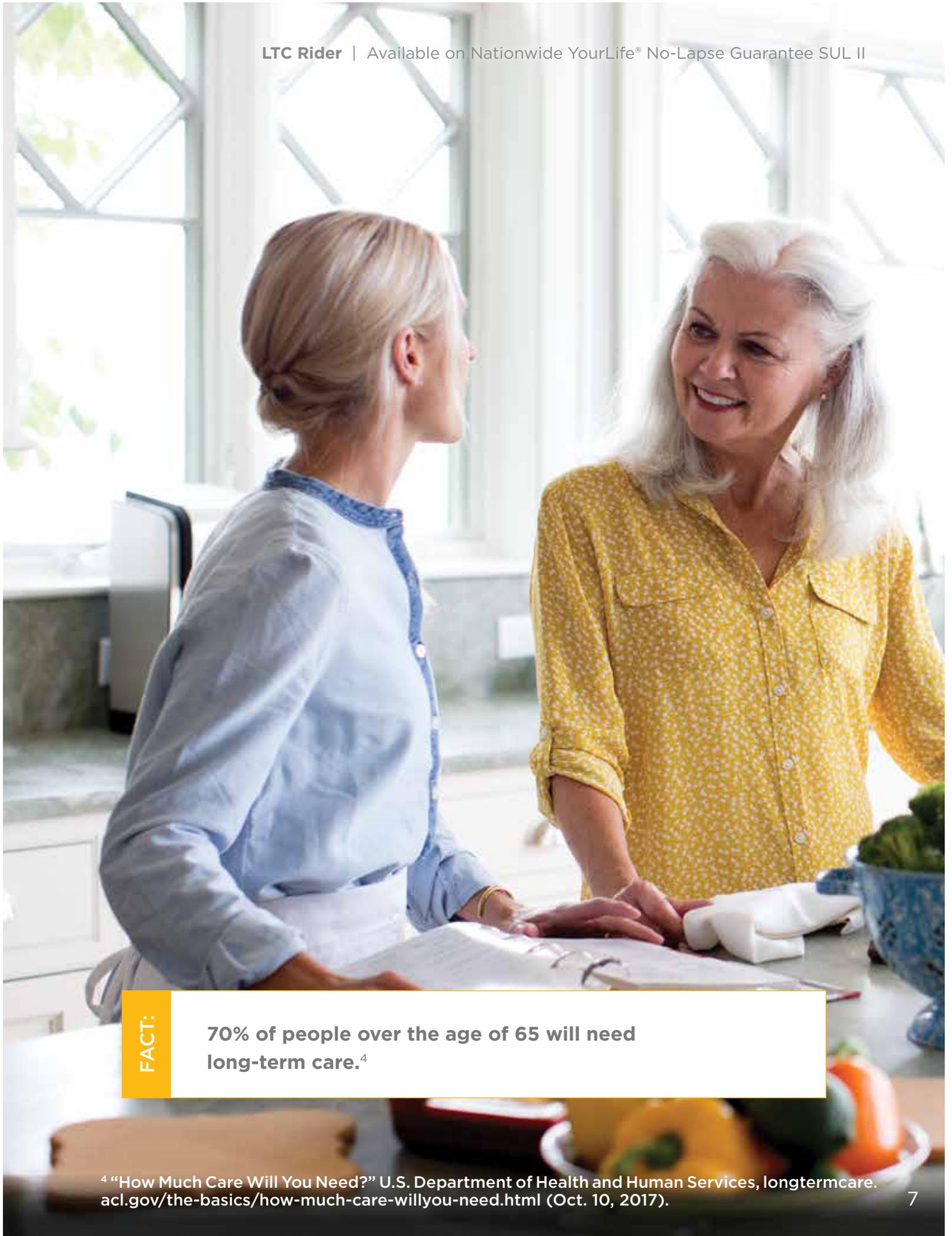
- Bathing
- Eating
- Contenance
- Toileting
- Dressing
- Transferring (moving into or out of a bed, chair or wheelchair)

2

Before benefits begin, the insured must complete a 90-calendar-day elimination period. Each insured must meet his or her own elimination period, and once met, it is met for life.

3

Upon filing a claim, you must submit a planned program of observation and treatment. Your plan of care will be recertified annually by a licensed health care practitioner. Your family members may provide care; this is not limited to your immediate family members.



**FACT:**

**70% of people over the age of 65 will need long-term care.<sup>4</sup>**

<sup>4</sup> "How Much Care Will You Need?" U.S. Department of Health and Human Services, longtermcare.acl.gov/the-basics/how-much-care-will-you-need.html (Oct. 10, 2017).

## HOW IS THE MONTHLY MAXIMUM BENEFIT CALCULATED?

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Each insured has a separate pool of LTC benefits; here's how that amount is calculated for each pool. The benefit amount will be the LESSER of:

- 2% of the long-term care specified amount for each insured or
- 2x the HIPAA per diem amount x 30 days

The maximum tax-free benefit for LTC is the greater of actual costs incurred or the per diem rate established by the Health Insurance Portability and Accountability Act (HIPAA), which is \$360 per day for 2018.<sup>5</sup>

## HOW LONG WILL BENEFITS BE PAID?

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As long as the insured remains eligible, you'll continue to receive monthly LTC benefits until the total amount paid is the LESSER of:

- The LTC coverage designated when the policy was established, or
- The LTC coverage designated, less any outstanding withdrawals, loans and loan interest

## NATIONAL MEDIAN ANNUAL COSTS FOR LONG-TERM CARE<sup>6</sup>

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- Nursing home (private room) **\$97,455**
- Nursing home (semi-private room) **\$85,775**
- Licensed home health aide services **\$49,192**
- Assisted living facility **\$45,000**
- Adult day care **\$18,200**

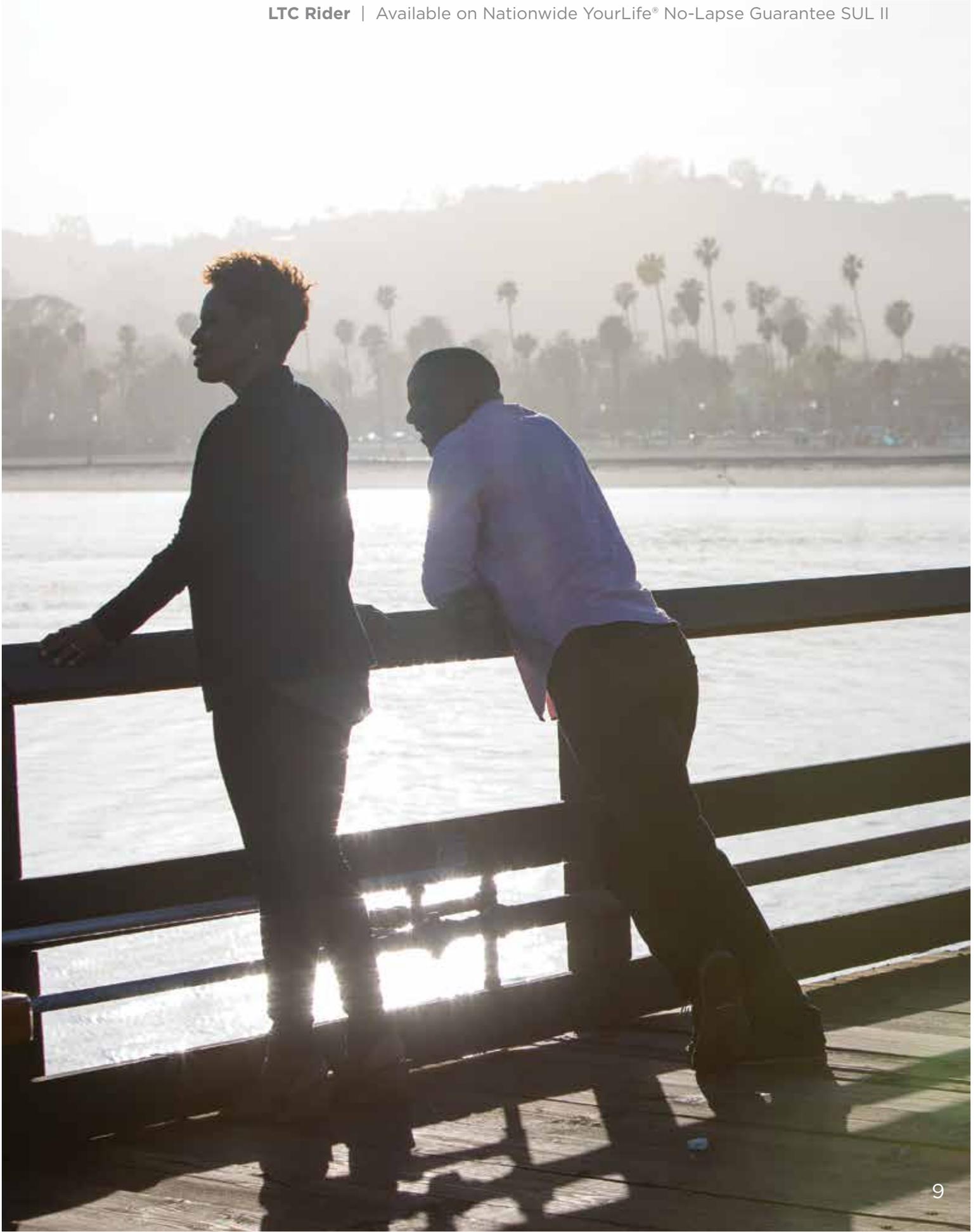


**If you have questions** about adding the LTC Rider to a Nationwide YourLife<sup>®</sup> No-Lapse Guarantee SUL II policy, talk to your insurance professional today.

<sup>5</sup> Nationwide cannot guarantee that LTC benefit payments will be treated as tax-free given the taxpayer's specific circumstances, especially when benefits are used to pay for care provided by family members or collected from more than one policy. Nationwide and its representatives do not give legal or tax advice. An attorney or tax advisor should be consulted for answers to specific questions.

You may receive, tax free, the greater of the HIPAA per diem in the year of your claim or your actual qualified LTC expenses incurred. Thus, any amount of LTC benefits received to pay for qualified LTC expenses that exceed the HIPAA per diem would remain tax free.

<sup>6</sup> "Compare Long Term Care Costs Across the United States" tool (annual national median 2017 vs. 2037), Genworth, [genworth.com/about-us/industry-expertise/cost-of-care.html](http://genworth.com/about-us/industry-expertise/cost-of-care.html) (June 2017).





**Nationwide®**  
is on your side

• Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution • Not insured by any federal government agency • May lose value

The insurance professional or company may contact you in response to your request for additional information.

The information contained herein was prepared to support the promotion, marketing and/or sale of life insurance contracts, annuity contracts and/or other products and services provided by Nationwide Life and Annuity Insurance Company.

Your coverage under the LTC Rider is guaranteed renewable. This means Nationwide will not unilaterally cancel or reduce coverage under this rider. Unless you request termination of this rider, it will remain in force as long as the policy remains in force. Your monthly LTC Rider charge rate cannot increase beyond the maximums stated in your policy. However, Nationwide has the right to increase your current monthly LTC Rider charge rates, up to the guaranteed maximum monthly LTC Rider charge rate. Any change in the current monthly LTC Rider charge rate will be on a uniform basis for insureds of the same sex, issue age, product, rate type and rate class whose policies have been in force for the same duration.

Availability of the Nationwide Long-Term Care Rider varies by product and state, and it may be known by different names in different states. Keep in mind that, as an acceleration of the death benefit, the Long-Term Care Rider payout will reduce both the death benefit and cash surrender values. Make sure life insurance needs will still be met, even if the rider pays out in full. Costs for long-term care vary by person, and there is no guarantee that the rider will cover all long-term care costs. Nationwide pays long-term care benefits to the policyowner. If the insured is not the policyowner, there is no guarantee that benefits will be used to pay for long-term care. The Long-Term Care Rider has an additional charge associated with it. A life insurance purchase should be based on the life policy and not on optional riders or features. The cost of a rider may exceed the actual benefit paid under the rider.

Be sure to choose a product that meets long-term life insurance needs, especially if personal situations change — for example, marriage, birth of a child or job promotion. Weigh the costs of the policy, and understand that life insurance has fees and charges that vary with sex, health, age and tobacco use.

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company. Policy guarantees and benefits are not backed by the broker/dealer and/or insurance agency selling the policy, nor by any of their affiliates, and none of them makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Approval for coverage under the policy and LTC Riders is subject to underwriting and may require a medical exam.

Products are issued by Nationwide Life Insurance Company or Nationwide Life and Annuity Insurance Company, Columbus, Ohio.

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