



EQUITABLE

Accelerated Death Benefit for Long-Term Care ServicesSM Rider

With a permanent life insurance policy

For Use in New York Only.

Month 00, 2024

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Importance of long-term care protection

Long-term impact

Consider the following:

- 70% of people over age 65 may need long-term care services.¹
- Women make up two-thirds of nursing homes.²
- 6.1 million long-term care recipients are between 18-64 years of age.³
- Long-term care costs can easily climb over \$102,200 per year.⁴

Within a few years, long-term care costs can erode estate assets!

¹ How Much Care Will You Need? <https://acl.gov/ltc/basic-needs/how-much-care-will-you-need>. February 2020.

² Brown, Jason. The Department of Treasury "The Economic Security of Older Women," January 2017.

³ Long-Term Care Insurance Facts – Data – Statistics – 2019 Report. www.aaltci.org/lcfacts-2019.

⁴ Genworth 2019 Cost of Care Survey, <https://www.genworth.com/about-us/industry-expertise/cost-of-care.html>.



Long-term impact

Medicare and private health insurance programs often do not pay for the majority of long-term care services.

	National median monthly cost ⁴	Monthly cost in 20 years (assuming 3% annual inflation)
Semiprivate room in a nursing home	\$7,908	\$14,283
Private room in a nursing home	\$9,034	\$16,316
Care in an assisted living facility	\$4,500	\$8,128
Care in an adult day care center	\$1,690	\$3,052

⁴ Genworth 2021 Cost of Care Survey, <https://www.genworth.com/about-us/industry-expertise/cost-of-care.html>.

Retirement concerns

American's top financial concerns

Unplanned expenses	51%
Personal debt	38%
Not saving enough for short- and long-term needs	36%
Rising healthcare costs	33%
The economy, stock market volatility and interest rates	23%

Source: Backman, Maurie. Here Are Americans' Top 5 Financial Concerns for 2020. December 24, 2021, <https://www.nasdaq.com/articles/these-are-americans-top-financial-concerns-for-2022>.

When is the right time to buy?

When coverage is bought

50-54	16.2%
55-59	24.7%
60-64	23.2%
65-69	12.3%

When claims begin

Age 70 and under	4.5%
71-80	25.8%
81-90	52.2%
91 and over	17.5%

76.4% of long-term care insurance buyers are between 50 and 69 years old

Source: Long-Term Care Insurance Facts - Data - Statistics - 2019 Report. www.aaltci.org/lcfacts-2019.

Shifting marketplace

- Costs of long-term care services for 70-and-older Americans are expected to grow enormously over the next three decades.⁵
- Marketplace for traditional long-term care insurance policies continues to decline.⁶
 - Fewer insurance carriers offering stand-alone, individual policies
 - Claims are rising
- Combination products have increased market share:⁷
 - Benefits mean that regardless of whether the policyholder has a long-term care claim, they will receive benefits
 - Often have guaranteed premiums and benefits
 - Offer alternatives besides single premium

⁵ Gibson, William E. Long-Term Care Costs May Double to \$5.6 Trillion by 2047. AARP. March 19, 2018.

⁶ Gleckman, Howard. Sales Of Traditional Long-Term Care Insurance Policies Continue To Fall. Forbes. July 3, 2019.

⁷ Claude Thau, Allen Schmitz, FSA, MAAA and Chris Giese, FSA, MAAA, 2019 Milliman. Long-Term Care Insurance Survey. Broker World. July 1, 2019.





Importance of life insurance

The importance of life insurance

After death:

- Pay off debts, mortgage or taxes after death.
- Fund college for children.
- Replace some or all income.
- Provide financial support for elderly parents.
- Maximize what you leave beneficiaries.
- Continue your business.



The importance of life insurance

While you're living:

- Supplement retirement income.
- Access to cash surrender value in case of emergency.
- Retain employees as part of executive benefits package.



How life insurance works

Policyowner



Contract



Insurance company



- Will pay premiums at regular intervals or in lump sums.
- May access cash surrender value.

- Will pay sum of money at insured's death or for qualified long-term care services.

Under current federal tax rules, you generally may take federal income tax-free withdrawals up to your basis (total premiums paid) in the policy or loans from a life insurance policy that is not a MEC. Certain exceptions may apply for partial withdrawals during the policy's first 15 years. If the policy is a MEC, all distributions (withdrawals or loans) are taxed as ordinary income to the extent of gain in the policy, and may also be subject to an additional 10% premature distribution penalty prior to age 59½, unless certain exceptions are applicable. Loans and partial withdrawals will decrease the death benefits and cash value of your life insurance policy and may be subject to policy limitations and income tax. In addition, loans and partial withdrawals may cause certain policy benefits or riders to become unavailable and may increase the chance your policy may lapse. If the policy lapses, is surrendered or becomes a MEC, the loan balance at such time would generally be viewed as distributed and taxable under the general rules for distribution of policy cash values.



Accelerated Death Benefit for Long-Term Care ServicesSM Rider

What is it?

Accelerated Death Benefit for Long-Term Care ServicesSM Rider:

- Is an accelerated benefit available at issue with certain individual permanent life insurance products.
- Provides you with a benefit you can use during your lifetime and is a versatile way to pay for some of the qualifying expenses associated with long-term care.
- May advance all or a portion of a policy's death benefit through monthly benefit payments that can help pay for qualified long-term care services.
 - U.S. physician must certify that you have become chronically ill, require continuous care for the remainder of your life and otherwise qualify under the rider,
 - Written notice of claim and proof of claim must be provided, and
 - Proof that the 90-day eligibility period has been satisfied must be provided.

If you don't use it, you don't lose it

- With the Accelerated Death Benefit for Long-Term Care ServicesSM Rider:
 - **There is NO requirement to use.**
 - **100% of unused benefit passed to beneficiaries upon death (outstanding loans and accrued loan interest are deducted from the death benefit).**
- If you decide to add the Accelerated Death Benefit for Long-Term Care ServicesSM Rider to your permanent life insurance policy and don't receive payments under the rider, the policy's entire death benefit will pass to your beneficiaries when you die.
- Note: There is no refund of the rider charges if the rider is not exercised.

Choosing your coverage – monthly benefit percentage

- You can choose the monthly benefit percentage at policy issue, either 1%, 2% or 3%.
- Allows you to pick a percentage that works for you.

The minimum and maximum issue ages for the benefit amount percentages are:

1%	Issue ages 20-75
2%	Issue ages 20-75
3%	Issue ages 20-70

Monthly benefit on a policy with a \$1M face amount (assuming 100% acceleration):

1%	\$10,000
2%	\$20,000
3%	\$30,000

A Cost of Insurance (COI) charge for the Accelerated Death Benefit for Long-Term Care ServicesSM Rider (LTCSR) is deducted from the policy account value on each month anniversary while the rider is in effect until the policy anniversary nearest the insured's attained age 100. When monthly benefits are being paid under the rider, we will waive the monthly LTCSR COI charge.

LTCSR Cost of Insurance (COI) Rates

There are both current and guaranteed COI rates. The current LTC COI rates are banded by the monthly benefit percentage (1%, 2% or 3%) and vary by issue age, sex, underwriting class, tobacco user status, and Death Benefit Option A or B selection. The guaranteed LTCSR COI rates vary by issue age, sex, tobacco user status, and Death Benefit Option A or B selection. The current and guaranteed rates are included with the Outline of Coverage.

Choosing your coverage – acceleration percentage

- You can select between two death benefit options: A & B.
- Ability to customize acceleration percentage between 20% and 100% with Death Benefit Option A.
 - Death Benefit Option B will always be 100%.

Death benefit option	Acceleration percentage
A	20% – 100%
B	100%

Acceleration of \$1M death benefit

Death benefit option	Acceleration percentage	Benefit percentage	Monthly benefit
A	50%	2%	\$10,000
B	100%	2%	\$20,000



Why choose us?

Life insurance with the Accelerated Death Benefit for Long-Term Care ServicesSM Rider



Convenience

- One process
- One affordable premium
- One policy
- Two benefits



Flexibility

- Can be used for qualifying long-term care expenses⁸
- Available on most individual permanent life insurance products
- Death benefit⁸



Value

- Competitive life insurance premiums supported by the strength and stability of Equitable

⁸ The death benefit is reduced by any accumulated benefit lien established for Accelerated Death Benefit for Long-Term Care ServicesSM Rider benefit payments.

Disclosure

EXCLUSIONS

Qualified long-term care services do not include treatment or care:

- For mental or nervous disorders (Alzheimer's Disease and demonstrable organic brain disease are not excluded from coverage);
- For alcoholism or drug addiction (unless drug addiction was a result of the administration of drugs as part of treatment by a physician);
- For illness, treatment or medical condition arising out of: 1. war or act of war (declared or undeclared); 2. participation in a felony, riot or insurrection; 3. service in the armed forces or auxiliary units; or; 4. suicide, attempted suicide or intentionally self-inflicted injury;
- For treatment or care received outside the United States unless the initial and any annual renewal certifications are completed by a physician licensed in the United States. For purpose of this exclusion, United States shall mean the 50 states, District of Columbia, Puerto Rico and the U.S. Virgin Islands;
- From a facility that primarily provides domiciliary, residency or retirement care;
- From a facility owned or operated by a member of your or the insured person's immediate family;
- From anyone who is under suspension from Medicare or Medicaid;
- If benefits are sought only because a third party requires that this rider be exercised (as, for example, to obtain or maintain a government assistance benefit).

Notice to owner: This rider may not cover all of the costs associated with the long-term care incurred by the owner during the period of coverage. The owner is advised to review carefully all policy limitations. Actual terms and conditions of the Accelerated Death Benefit for Long-Term Care ServicesSM Rider are contained in Rider Form #R12-10 NY. This rider has exclusions and limitations under which the rider may be continued in force or discontinued. For more information, costs and complete details of coverage, contact your life and health insurance-licensed financial professional or the company.

The purpose of this method of marketing is solicitation of insurance and contact may be made by an insurance agent, producer, insurance company or insurance agency.

The product brochure for the applicable life insurance policy must accompany this Accelerated Death Benefit for Long-Term Care ServicesSM Rider Presentation, the Accelerated Death Benefit for Long-Term Care ServicesSM Rider Brochure and the Accelerated Death Benefit for Long-Term Care ServicesSM Rider Planning Perspective.

Life insurance products are issued by Equitable Financial Life Insurance Company (New York, NY) or Equitable Financial Life Insurance Company of America and co-distributed by affiliates Equitable Network, LLC (Equitable Network Insurance Agency of California in CA; Equitable Network Insurance Agency of Utah in UT; Equitable Network of Puerto Rico, Inc. in PR) and Equitable Distributors, LLC. For New York state-based (i.e., domiciled) financial professionals, life insurance products are issued by Equitable Financial Life Insurance Company (New York, NY). All companies are affiliated and directly or indirectly owned by Equitable Holdings, Inc., and do not provide tax or legal advice. You should consult with your tax and legal advisors regarding your particular circumstances.

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For complete details regarding rider costs of coverage, call your financial professional.

The rider is not considered long-term care insurance in New York.

The rider form R12-10NY is not intended to be federally tax-qualified.

RIDER FORM: R12-10 NY

Long-Term Care ServicesSM is a service mark of Equitable Financial Life Insurance Company.

Life Insurance: • Is Not a Deposit of Any Bank • Is Not FDIC Insured • Is Not Insured by Any Federal Government Agency • Is Not Guaranteed by Any Bank or Savings Association • Variable Products May Go Down in Value

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Thank you.



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