



EQUITABLE



# Smart choices for life's most important decisions

Frequently asked questions for the Long-Term Care Services<sup>SM</sup> Rider offered on individual variable universal life products

(Form # ICC19-R19-LTCSR, R19-LTCSR or state variation)

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**The Long-Term Care Services<sup>SM</sup> Rider (LTCSR) is a flexible and convenient tool that can be added to eligible life insurance policies at issue. The LTCSR is cost-efficient, offers some price protection and most importantly, offers clients a “living” benefit by accelerating all or a portion of the policy’s death benefit if the insured becomes chronically ill and receives qualified long-term care services under a plan of care. Here are the answers to some frequently asked questions about the LTCSR in order to help you better understand this exciting optional policy rider.**

## Rider features

### Which products offer this version of the LTCSR?

VUL Incentive Life Protect<sup>®</sup> and VUL Optimizer<sup>®</sup> Series 160. This version of the LTCSR is not available on VUL products in CA and NY nor on IUL products in all jurisdictions.

### What are the issue ages for the LTCSR?

LTCSR is available only at issue for issue ages 20–75 (2–70 in Florida). For Guaranteed Issue policies, ages 20–65. The LTCSR will not be available if the policy was backdated to save the maximum issue age for the policy.

### What is the Long-Term Care Specified Amount?

It is the maximum amount available for acceleration at issue under the terms of the LTCSR. At issue, it is equal to the initial face amount of the base policy multiplied by the Acceleration Percentage. For example, assume the base policy face amount is \$1,000,000 and the policyowner has selected an Acceleration Percentage of 50% for a Death Benefit Option A policy. The Long-Term Care Specified Amount is \$500,000 (i.e., \$1,000,000 x 50%).

### What is the Acceleration Percentage?

The Acceleration Percentage is used to determine the maximum amount available for acceleration under the terms of the LTCSR. It must be specified at issue on the application and may not be changed once it has been specified. The maximum benefit amount available at issue under the terms of the LTCSR is called the Long-Term Care Specified Amount.

### Acceleration Percentage

Acceleration Percentage	Death Benefit Option
20%-100%	A
100%	B

Through the use of the Acceleration Percentage, the policyowner has the opportunity to determine what portion of the death benefit will be available for coverage under the LTCSR, allowing for the remaining amount of the insurance benefit to be passed to the beneficiaries.

Further, policies with larger face amounts may be issued with the LTCSR (assuming the necessary underwriting requirements have been satisfied) without exceeding the company’s maximum limits, preventing the need to split a large policy into two smaller policies.

### What is the Monthly Benefit Percentage?

The Monthly Benefit Percentage is used to determine the Maximum Monthly Benefit Amount that is available when the insured qualifies for benefits payable under the terms of the LTCSR. The policyowner can choose a Monthly Benefit Percentage of 1%, 2% or 3% on the LTCSR application questionnaire at issue. If the policyholder does not elect a Monthly Benefit Percentage on the application at issue, the default is 2%. The availability of the Monthly Benefit Percentage is dependent on the issue age of the insured. Once selected, the Monthly Benefit Percentage cannot be changed after the policy is issued.

### Monthly Benefit Percentage

Monthly Benefit Percentage	Available Issue Ages <sup>1</sup>
1%	20-75
2%	20-75
3%	20-70

### How is the LTCSR benefit affected by Death Benefit Option B?

The LTC benefit is linked to the death benefit option so that any increase (or decrease) in the policy account prior to going on claim will provide a corresponding increase (or decrease) in the LTC Maximum Total Benefit. In other words, a policyowner’s benefit under the rider has the potential to increase (or decrease) provided the death benefit option selected at issue is option B.

**Note:** The LTC Specified Amount is always based on an Acceleration Percentage of 100% for Death Benefit Option B policies.

# Rider features

## Should my potential clients consider electing the nonforfeiture benefit option available with the LTCSR?

Depending on the type of benefits your client wants and how much your client would like to pay for those benefits will determine if your clients may consider electing the NFB. The optional nonforfeiture benefit option must be elected at issue with the LTCSR, and includes an additional charge that will make the LTCSR charge considerably more expensive (20% to 50% depending on the issue age of the insured) than a policy including the LTCSR without the nonforfeiture benefit. It is also a contingent benefit in that there are a number of scenarios where no nonforfeiture benefit would be paid even though a higher premium was paid for several years. The nonforfeiture benefit cannot be added to the LTCSR after a policy has been issued, nor can it be removed from the LTCSR after a policy has been issued.

## How does the company underwrite the LTCSR?

The LTCSR is subject to full underwriting, which includes a morbidity risk evaluation. Certain illnesses, impairments and conditions relating to morbidity may impact the proposed insured's ability to qualify for the LTCSR regardless of the mortality risk or rating, so it is possible that the proposed insured might qualify for the base policy and not qualify for the rider. There is a prescription drug check required for all applicants, regardless of age, and applicants ages 70 and above are subject to cognitive testing. In addition, financial underwriting will be used to ensure that appropriate LTCSR limits are not exceeded.

The LTCSR section C application questionnaire is required to be completed and submitted with the application for the base policy. In order to qualify for the LTCSR, the insured must be approved for the equivalent of a Substandard Table D or better underwriting class with no medical flat extra charges.

If the proposed insured is eligible for Medicaid, the LTCSR will not be issued and the base policy will be issued subject to policy amendment. If the owner has assets of less than \$30,000, the LTCSR application will be subject to suitability.

## Which policy changes are restricted if LTCSR is elected?

Changes not available are face increase, Death Benefit Option change from A to B and partial withdrawal combined with a request to hold face amount (except guideline force-outs).

## Does the pre-qualification form need to be submitted with the application?

No. The pre-qualification form should not be submitted to Equitable. It is a tool that financial professionals are encouraged to use in order to determine if the LTCSR is a good fit for a proposed insured, given their medical history. While financial professionals are not required to complete or submit the pre-qualification form with the application, it will help determine the proposed insured's eligibility for the LTCSR and provide for a more efficient underwriting experience for financial professionals and clients. It is important to note that pre-qualification does not represent approval of the LTCSR. It is a means to screen eligible clients who will be subject to underwriting. If a proposed insured is considering applying for the LTCSR, they should be able to answer "No" to all of the questions included in the pre-qualification form.

## In which situations is the LTCSR not available?

The LTCSR is not available in the following situations:

- Proposed insured above attained age 75 or below attained age 20.
- Proposed insured does not qualify for the equivalent underwriting class of Substandard Table D or better.
- Proposed insured is subject to a medical flat extra charge.
- Disability Waiver of Monthly Deductions or Disability Premium Waiver is elected and rated (in this case, policy may have LTC or DDW/DPW, but not both).
- Disability Waiver of Monthly Deductions or Disability Premium Waiver is elected and is declined for certain impairments.
- Certain illnesses, impairments or conditions relating to morbidity, regardless of the mortality risk or rating.
- Simplified Underwriting, except for LTCSR on Guaranteed Issue cases.
- With an international underwriting program.
- Foreign nationals residing in the United States, unless a strong U.S. nexus is demonstrated and there is proof of permanent ties or intent to remain in the United States permanently.
- Qualified plan or otherwise subject to ERISA.
- Policy is reinsured (excluding ARC for Equitable Advisors, and reinsured Equitable Financial Life Insurance Company of America (Equitable America) policies that have the option to convert to an Equitable America policy).
- Return of Premium Rider is elected.
- Policy issued as a result of a rider conversion.
- Policy issued as a result of exercising an Option to Purchase Additional Insurance (OPAI) Rider.
- If the proposed insured is eligible for Medicaid.

Please check state availability of the rider by contacting the Life Insurance Sales Desk. There are state variations of the rider.

# Rider features

## Is the LTCSR available with a policy issued as the result of a term conversion?

Yes. Term conversions generally do not require underwriting unless there is a request for additional coverage or riders, or a request for a better rate or underwriting class. However, the conversion guidelines were recently modified to allow for streamlined underwriting requirements on certain early period term conversions to a permanent product with the LTCSR.

To comply with the new guidelines, the client needs to complete the application requirements as shown below. If the underwriting review is satisfactory, and the decision is the equivalent of a Standard or better, there are no added laboratory or paramedical exam requirements.

## Application requirements

New life application and questionnaires					Certifications
<b>Section A &amp; D</b>	<b>Section B</b> Product questionnaire	<b>Section C</b> Term rider conversion & purchase option questionnaire	<b>Section C</b> Accelerated DB for LTCSR questionnaire	Medical information questionnaire	Financial professional certifications

Term conversions to a permanent product with the LTCSR with streamlined underwriting requirements are available within 1-to-5 years from the register date of the term policy based on age restrictions (issue date for backdated policies). Thereafter, conversion requests with the LTCSR will be subject to full underwriting.



# Rider and policy administration

## Can the Acceleration Percentage of the LTCSR be changed?

No. Not after the policy has been issued.

## How are benefits paid under the LTCSR?

LTCSR benefits are disbursed from the policy under an indemnity-style benefit. That means benefit payments are made directly to the policyowner without the policyowner having to submit bills and keep track of receipts. In addition, a policyowner may choose to take the full amount of the benefit available under the LTCSR, even if the insured's expenses are less than the full benefit amount, providing the policyowner with convenience and flexibility when it comes to managing the LTCSR benefits.<sup>2</sup>

## What is the Accumulated Benefit Lien? How does it impact the policy?

When benefits are paid to the policyowner under the LTCSR, a lien is established against the policy's death benefit. The amount of the Accumulated Benefit Lien will equal the cumulative amount of benefits paid under the LTCSR, including any loan repayments during the period of time in which the insured receives services that are covered under the rider, accumulated at 0% interest. If the insured dies before the end of a period of coverage, the Accumulated Benefit Lien is deducted from the base policy death benefit. The policy's cash value is also reduced as described in the examples on the next page.

For example, based on the information in this chart, this policy's death benefit would be reduced by the Accumulated Benefit Lien amount of \$250,000, leaving the policyowner with a \$750,000 insurance benefit. In addition, the LTC Specified Amount would have been reduced to \$250,000 by the Accumulated Benefit Lien amount.

## Accumulated Benefit Lien

<b>Initial Base Policy Face Amount</b>	\$1,000,000
<b>Death Benefit Option</b>	A
<b>Acceleration Percentage<sup>2</sup></b>	50%
<b>Initial LTC Specified Amount</b>	\$500,000
<b>Accumulated Benefit Lien</b>	\$250,000

<sup>1</sup> For Death Benefit Option B policies, the Acceleration Percentage is required to be 100%.

<sup>2</sup> Taking the full benefit amount may mean fewer benefits available in the future even if the insured's expenses increase. Benefits exceeding the excludable amount will generally be taxable. The minimum monthly benefit payment amount is \$500.

# Rider and policy administration

## How is a policy's cash value determined if benefits are paid out under the LTCSR?

When benefits are paid under the LTCSR, the base policy face amount and unloaned policy value will be subject to a percentage reduction for the purposes of determining a policy's cash value. The percentage reduction is determined differently depending on whether the Acceleration Percentage equals 100% or not, and is reflected in the policy's cash value when the insured comes off claim, a policy loan is requested or if the policy is surrendered.

For a policy with an LTCSR Acceleration Percentage that is less than 100%, the percentage reduction will be equal to the Accumulated Benefit Lien Amount divided by the base policy face amount. For example 1, the percentage reduction in the policy's cash value would be equal to 7.5% ( $\$75,000/\$1,000,000$ ).

For a policy with an LTCSR Acceleration Percentage equal to 100%, the percentage reduction will be equal to the Accumulated Benefit Lien Amount divided by the base policy Death Benefit. For example 2, the percentage reduction in the policy's cash value would be equal to 10% ( $\$75,000/\$750,000$ ). For example 3, the percentage reduction in the policy's cash value would be equal to 5% ( $\$75,000/\$1,500,000$ ).

### Death Benefit Option A — example 1

<b>Base Policy Face Amount</b>	\$1,000,000
<b>Acceleration Percentage<sup>2</sup></b>	75%
<b>Maximum Total Benefit</b>	\$750,000
<b>Accumulated Benefit Lien Amount</b>	\$75,000

### Death Benefit Option B — example 2

<b>Base Policy Face Amount</b>	\$500,000
<b>Unloaned Policy Value</b>	\$250,000
<b>Acceleration Percentage<sup>2</sup></b>	100%
<b>Maximum Total Benefit</b>	\$750,000
<b>Base Policy Death Benefit</b>	\$750,000
<b>Accumulated Benefit Lien Amount</b>	\$75,000

### Death Benefit Option A — example 3

<b>Initial Base Policy Face Amount</b>	\$1,000,000
<b>Base Policy Death Benefit</b>	\$1,500,000*
<b>Acceleration Percentage<sup>2</sup></b>	100%
<b>Maximum Total Benefit</b>	\$1,500,000
<b>Accumulated Benefit Lien Amount</b>	\$75,000

\* In this hypothetical example, the Option A policy is in corridor, resulting in a death benefit that exceeds the face amount.

## How is the benefit payment amount determined?

The policyowner elects the monthly benefit percentage (1%, 2% or 3%) at issue. This is used to determine the rider rate band and the maximum level of monthly benefit that is available when the insured qualifies for monthly benefits under the terms of the LTCSR. Regardless of the amount of the Maximum Monthly Benefit Amount purchased, actual benefit payments are limited to the lesser of the Maximum Monthly Benefit Amount or the monthly equivalent of 200% of the Health Insurance Portability and Accountability Act (HIPAA) daily limit then in effect. When on claim, the policyowner can request any monthly benefit

payment between \$500 and the lesser of the Maximum Monthly Benefit Amount and the monthly equivalent of 200% of the daily HIPAA limit then in effect. Note that any requested face amount reductions or partial withdrawals for Death Benefit Option A only may decrease the Long-Term Care Specified Amount, which in turn will decrease the Maximum Monthly Benefit Amount prior to the first period of coverage. If the policy has a loan, a portion of each benefit payment will be used to reduce the loan.

# Rider and policy administration

## What happens to a life insurance policy when benefits are being paid under the LTCSR?

The exact mechanics, once a payment is made, would work as follows: Benefits accelerated under this rider result in a lien (Accumulated Benefit Lien Amount) being set up against policy values. The lien increases with each benefit payment. The Accumulated Benefit Lien Amount will not accrue interest.

1. If there is a death claim before the end of a period of coverage, the Accumulated Benefit Lien Amount and any outstanding policy loan and accrued loan interest are subtracted from the base policy death benefit.
2. If there is a policy surrender before the end of a period of coverage, the unloaned policy value and surrender charge are reduced by a percentage. This percentage reduction in cash value is equal to the Accumulated Benefit Lien Amount divided by the base policy face amount for Death Benefit Option A policies, or the base policy face amount plus the unloaned policy value for Death Benefit Option B policies. The reduction in unloaned policy value cannot exceed the Accumulated Benefit Lien Amount.

## If the policy is in corridor, is there any impact on the LTCSR benefit available to the policyowner?

Yes. The amount available for the LTC benefit will always match the death benefit if the acceleration percentage is 100%, even if the policy enters corridor or the client takes a withdrawal.

## How do a DDW/DPW (Disability Waiver of Monthly Deductions/Disability Premium Waiver) claim and an LTCSR claim differ?

Waiver of premium claims are generally associated with the following:

- Total disability must have existed for 6 months.
- Occupational Disability (A representative of the firm for which the insured was working when disability began should complete the Disability Waiver of Premium claim form. If the insured was self-employed, the employer's statement is not necessary.)
- LTCSR claims are handled differently. There is no employer involvement and LTCSR claims are based on Activities of Daily Living (ADLs) (in most states) or cognitive impairment, not an occupational disability like DDW/DPW.

## Can the rates on the LTCSR ever be increased?

Although the rates have never increased, the issuing company reserves the right to change the rate used to calculate the charge for this rider, not to exceed the guaranteed maximum rate shown in the Outline of Coverage and the Policy Information section of the policy.

Any rate change will be on a basis that is equitable to all policyholders of a given class and will be as described in the Changes in Policy Cost Factors provision of the policy.

Important note for those policies with No-Lapse Guarantee (NLG) or Extended No-Lapse Guarantee (ENLG) coverage: While current (non-guaranteed) LTCSR charges can change at any time, NLG/ENLG premium requirements are guaranteed never to increase. NLG/ENLG coverage guarantees the policy will not terminate during the NLG/ENLG period as long as the premium requirement for the NLG/ENLG is met and any policy loan and accrued loan interest does not exceed the policy value. Therefore, the NLG/ENLG provides cost certainty for LTCSR clients during the NLG/ENLG period.

**Note:** The current (non-guaranteed) LTCSR charges can be increased during an NLG/ENLG period, which reduces policy cash value. However, premiums cannot be increased during this period if the premium requirements are satisfied.

# Rider and policy administration

## Can a client ever withdraw or borrow funds from the policy? What is the impact to the LTCSR?

Withdrawals or loans are both acceptable ways to access life insurance policy values. Each reduces the amount that may be available for claims under the LTCSR.

**Withdrawals** — Directly reduce the Maximum Total Benefit and, as a result, reduce the Maximum Monthly Benefit amount. Withdrawals are not allowed while the policy is on claim.

**Policy loans** — Loans are allowed both prior to and while the policy is on LTCSR claim. While on claim, a portion of each Monthly Benefit Payment is used to repay the loan and accrued interest and cash values. Therefore, the maximum loan values will be reduced because of the outstanding Accumulated Benefit Lien.

Withdrawals and policy loans will lower the death benefit and increase the chance a policy may lapse.

## Are premiums waived if a client is receiving LTCSR claim benefits?

While on long-term claim:

- Premiums will not be accepted into the policy.
- Base policy charges will continue to be deducted from the policy (COIs, per \$1,000 charge, policy fee, etc.) unless the policy includes DDW/DPW and policy charges are being waived under the DDW/DPW riders.
- LTCSR charges will be waived.
- As long as the policy is on LTCSR claim, the policy cannot lapse regardless of policy values.

## Are withdrawals and policy loans for a policy with the LTCSR illustrated in AEGIS?

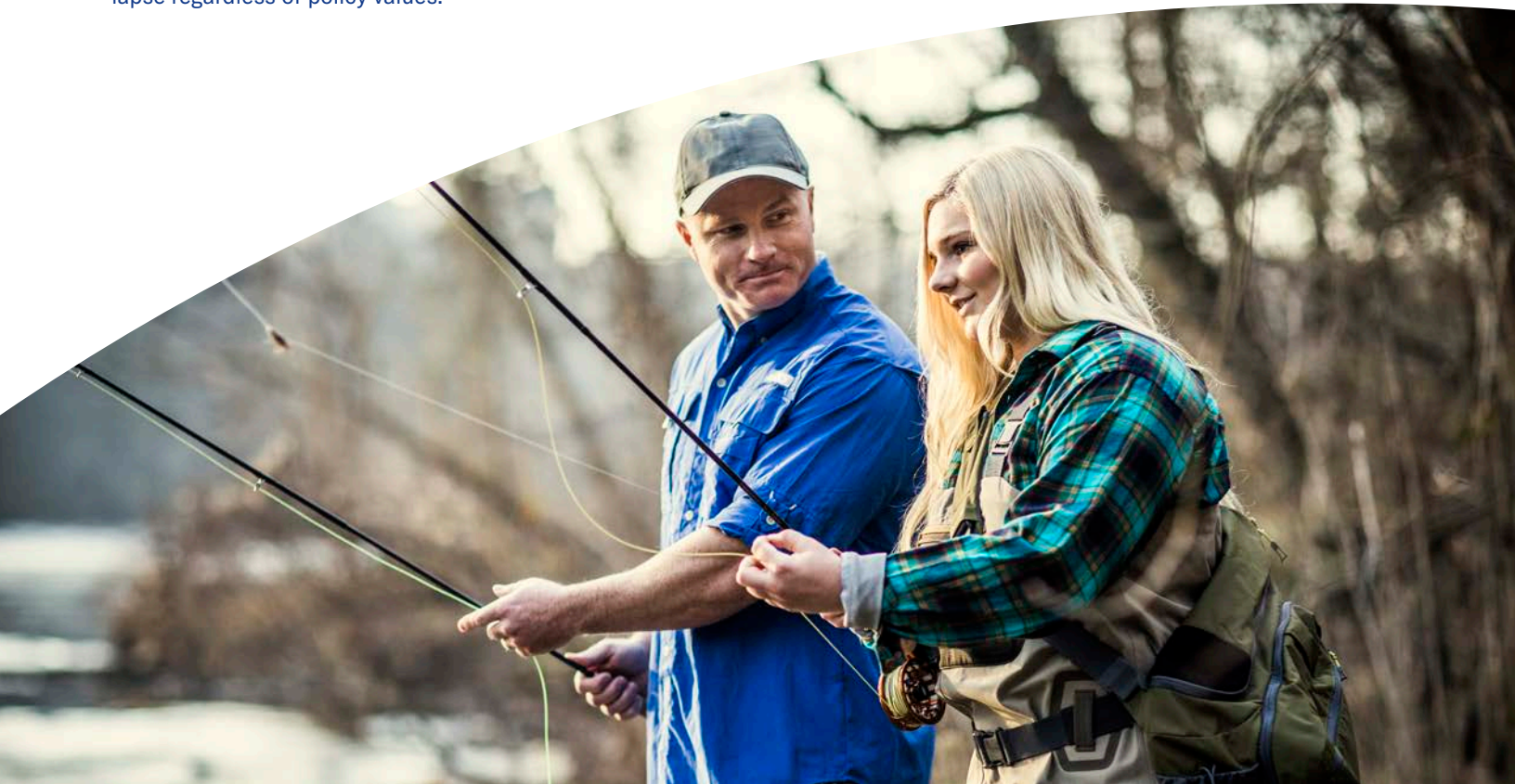
For both new business and inforce illustrations for a policy with the LTCSR, the Net LTCSR Maximum Total Benefit is shown on the ledger of the AEGIS illustration.

- When policy loans are being illustrated, the amounts in the Net LTCSR Maximum Total Benefit column reflect any illustrated outstanding loan balance or accrued loan interest
- Since withdrawals reduce the Long-Term Care Specified Amount for policies with Death Benefit Option A, and reduce the policy account value for policies with Death Benefit Option B, they are reflected in the Maximum Total Benefit amount displayed on the Values and Benefits page.

When running an illustration for a policy with LTCSR and withdrawals and/or policy loans, it's a best practice to also run the LTCSR Benefit Example report. Withdrawals and policy loans are reflected in the policy values and net annualized monthly benefit payments shown on this report.

## Whom do we consider a U.S.-licensed healthcare practitioner?

A physician, registered nurse (R.N.), licensed social worker and any other individual who meets the requirements as prescribed by the U.S. Secretary of the Treasury. It does not include the policyowner, the insured person or the insured person's immediate family (as defined in the rider).



# Planning and LTCSR claims

## How are the benefits taxed? Can any portion of the benefits be subject to income taxation?

Benefit payments made from policies that provide qualified long-term care benefits will generally be excluded from income if payments are not more than the published IRS maximum amounts or actual expenses, whichever is greater.<sup>3</sup>

Generally, the income exclusion for all benefit payments from all sources with respect to an insured person will be limited to the higher of:

- The HIPAA per diem limit; or
- Actual costs incurred for qualified long-term care services by the policyowner on behalf of the insured person (receipts of factual costs could be helpful in determining the amount of benefit payments to exclude).

**Note:** The policyowner can elect to take an amount as low as \$500 per month from the policy. The maximum monthly amount we will pay is equal to the lesser of: (1) the maximum monthly benefit (or lesser amount requested by the policyowner); and (2) the monthly equivalent of 200% of the daily HIPAA. Thus, a policyowner who has requested 200% of the daily HIPAA limit (assuming that is less than the maximum monthly benefit), would have taxable income to the extent that actual expenses were less than this amount.

The LTCSR benefit payments are intended to be treated as “accelerated death benefits” for the purposes of the Code. Even if not taxable, payments will be reported to the IRS on form 1099-LTC. The policyowner must file tax Form 8853, which is used to compare all payments received by all persons from all sources that relate to the insured against the annual maximum and determine if any portion must be included in income.

Income exclusion under these rules must be aggregated and allocated for policy payments to trusts and other third-party owners, as well as an insured policyowner. The same rules also apply if the underlying life insurance policy is considered a modified endowment contract (MEC) under the law.

## What is the impact of a policy that is a modified endowment contract (MEC) on LTCSR benefit payments?

The income tax treatment of an accelerated death benefit for long-term care is the same whether the policy is a MEC or a non-MEC.

It is important to remember that MEC status affects the income tax treatment of values withdrawn from a policy’s cash value, but not the payment of the death benefit.

## What is the impact of a policy that is a modified endowment contract (MEC) on LTCSR charges deducted from the life insurance policy account?

The LTCSR is intended to be tax-qualified under IRC 7702B(b). This means that the LTCSR charges are not taxable. However, charges reduce the cost basis of the policy (but not below zero). When the life insurance policy is a MEC, there is no current taxation, although basis is reduced by the LTCSR cost of insurance (COI) charges.

## Can my client’s life insurance be owned by an Irrevocable Life Insurance Trust (ILIT)? Can an ILIT purchase a policy with the LTCSR included?

Yes. The LTCSR can be included on a life insurance policy purchased by an ILIT. The insured should be advised to consult with their tax and legal advisor to be certain that there are no unanticipated consequences, such as the unavailability of funds to the insured, income taxes or any incidents of ownership that could raise estate tax issues.

As policyowner, the trust would be entitled to any benefits payable under the LTCSR. Generally, the funds might best be paid to the trust’s beneficiaries, who may find a way to help the insured. Please see the next question below.

**Note:** If LTCSR benefits are paid to an ILIT, but LTC expenses are not reimbursed, the estate of the insured is reduced by the payments he or she made. This, in its own right, can be viewed as a form of estate planning, with the “lost” wealth replaced by the ILIT holding the LTCSR payments, income, estate and gift tax-free.

<sup>3</sup> The benefits paid under the rider are intended to be treated for federal income tax purposes as accelerated death benefits under the Internal Revenue Code (the Code) on the life of a chronically ill individual receiving qualified long-term care services within the meaning of section 7702B of the Code.

# Planning and LTCSR claims

## If the insured is not the policyowner, is it possible for LTCSR payments to be paid over to the insured to cover the actual long-term care expenses?

When the policyowner receives payments under the LTCSR, they are not required to apply them to cover the actual long-term care expenses of the insured, but may do so.

The payments are made to a trust and become trust assets. The trust assets can be applied to any purpose for which the trust exists. Often, they may be paid out to a trust beneficiary, or they can be applied to premium payments to offset funds that the insured might otherwise gift to a trust in future years.

If payments are made to the trust beneficiaries and then directed to the insured, they may be treated as gifts to the insured. If payments are made directly as medical payments for the insured/non-owner, the payments are generally gifts, but may fall under an exception as a “qualified transfer” for medical care and thus not subject to gift taxes.<sup>4</sup>

When the insurance policy is owned by a trust, special care and planning must be taken by the client’s own tax and legal advisor to avoid an “incident of ownership” for the insured that might cause the death proceeds to be included in the insured’s estate.

## Will benefits be retroactively paid once the elimination period has been satisfied?

No. However, the elimination period is waived if a U.S.-licensed healthcare practitioner has provided written certification that the insured is chronically ill and expected not to recover.

## Are benefits under the rider payable if the insured goes overseas?

Yes. If the insured is overseas, they may be paid benefits under the rider if the initial plan of care and any recertification is performed by a U.S.-licensed healthcare practitioner. In addition, the provider of the care must be appropriately licensed in the jurisdiction where the care is received.

## If the beneficiary is a trust, do they have to sign the claim forms for LTCSR benefits?

No, it is the policyowner that is generally entitled to the long-term care benefit under our rider. Beneficiaries do not need to sign the claim form.

## What documentation is required to receive benefit payments?

When a claim is made, a Long-Term Care Services<sup>SM</sup> Rider claims kit is sent to the policyowner. The kit includes the following forms. The completed forms should be returned to the Life Operations Center.

- Claimant’s statement
- Practitioner statement
- Plan of care
- Care provider assessment
- In addition to the completed claims kit, the 90 calendar day elimination period must be satisfied.

## Long-Term Care Services<sup>SM</sup> Rider claims kit return

<b>Regular mail</b>	Equitable Life Operations Special Claims Division P.O. Box 1047 Charlotte, NC 28201-1047
<b>Express mail</b>	Equitable Life Operations 8501 IBM Drive, Suite 150 Charlotte, NC 28262
<b>Fax</b>	(855) 268-6373

<sup>4</sup> IRC 2503(e)(2)(b)

# Planning and LTCSR claims

## What are the requirements to satisfy the elimination period?

The LTCSR has an elimination period of 90 calendar days, beginning on the first day of any qualified long-term care services that are provided to the insured person. Each day the insured is chronically ill will be counted toward the elimination period, whether or not continuous. The elimination period of 90 calendar days must be accumulated within a continuous period of 2 years and needs only be satisfied once while the rider is in effect.

## Can the insured's family members participate in caring for the insured?

Yes. Home healthcare services, which include medical or non-medical personal care or maintenance services, homemaker services and hospice care delivered to the insured in their home, may be provided by any skilled or unskilled person of the policy owner's choosing. A licensed healthcare practitioner must certify the insured as chronically ill and prescribe the plan of care.

## What documents are required for the Annual Recertification?

Annually, a Long-Term Care Services<sup>SM</sup> Rider Recertification Kit is sent to the policyowner. The kit includes the following forms to be completed and returned the Life Operations Center:

- Practitioner recertification statement by a U.S.-licensed practitioner must be provided that recertifies that the insured is still chronically ill and receiving services pursuant to a plan of care.
- Updated plan of care from a licensed practitioner.
- The insured agrees to provide a HIPAA statement giving permission to collect medical records.

## Other

### Are there any long-term care license requirements?

Yes, there are state-by-state licensing requirements. Please refer to [equitable.com](http://equitable.com).

### Where can I find more detailed information regarding the LTCSR?

Financial professionals are encouraged to refer to the LTCSR technical guide (Catalog #161395) for a more detailed discussion of various concepts addressed in the FAQ. Financial professionals may also refer to the LTCSR specimen form. These items can be obtained by visiting [equitable.com](http://equitable.com). State-specific marketing materials and other information can be found at [equitable.com/ltc](http://equitable.com/ltc). You may also call the Life Insurance Sales Desk.

## For more information, please call the Life Insurance Sales Desk or visit [equitableLIFT.com/ltc](https://equitableLIFT.com/ltc).

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This rider may not cover all the expenses associated with the insured's long-term care needs. If the policy is subject to a loan, a portion of the monthly benefit payment will be applied to repay a portion of the outstanding policy loan.

Actual terms and conditions of the Long-Term Care Services<sup>SM</sup> Rider are contained in rider form #ICC19-R19-LTCSR, R19-LTCSR and state variations. This rider has exclusions and limitations under which the rider may be continued in force or discontinued. It may not be available in all jurisdictions or may vary by jurisdiction. For more information, costs and complete details of coverage, refer to the rider specimen, the Long-Term Care Services<sup>SM</sup> Rider Technical Guide, the outline of coverage, the policy with the LTCSR illustration and the prospectus or supplement for variable life insurance.

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