



You're the one in control

Not all long-term care coverage is the same. In fact, some policies and riders can be so complex and restrictive that you end up with more hassle and less control than you bargained for.

Take reimbursement plans, for example. Many of these plans — which represent a large portion of stand-alone policies — require bills and receipts to be submitted each month to the insurance company in order to receive benefits. Then, the insurance company reimburses the exact amount of qualifying charges up to the maximum amount allowed. And remember, just because the charge is on a bill doesn't mean it's qualified to be reimbursed.

For example, a doctor's visit to a patient in a nursing home to treat the flu would not qualify for reimbursement because it's a medical expense — not a long-term care expense. Home improvements enabling the insured to stay at home while receiving home health care may not be covered, either.

That's where Nationwide® comes in

A permanent life insurance policy from Nationwide offers you the life insurance you need, along with optional indemnity-style long-term care coverage. With this benefit style, you never need to submit monthly bills or receipts (although they may be needed to establish the claim). Once the insured qualifies for a claim and meets the 90-day elimination period, Nationwide simply sends a benefit check to the policyowner each month.

How does it work?

- The long-term care (LTC) rider benefit is paid tax-free to the policyowner on a monthly basis
- The maximum monthly benefit is the lesser of 2% of the LTC specified amount or the Health Insurance Portability and Accountability Act (HIPAA) per diem rate in effect for that year (\$340 in 2016), times 30
- Any benefit not used will be paid to the beneficiary as an income tax-free death benefit; it can even be estate tax-free with proper planning
- Even if all the death benefit is used for long-term care expenses, there is a minimum death benefit guarantee of 10% of the original death benefit amount — so there is always some money left to help with final expenses or debt (this feature not available in New York or the Virgin Islands)

When choosing a product, make sure that life insurance and long-term care insurance needs are met. 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, and long-term care coverage linked to life insurance, has fees and charges that vary with sex, health, age and tobacco use. Riders that customize a policy to fit individual needs usually carry an additional charge.

Approval for coverage under the life insurance policy and attached rider is subject to underwriting and may require a medical exam.

All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company. They 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.

See the difference for yourself

	Reimbursement plan	Indemnity-style plan
Procedure for filing a claim	<ul style="list-style-type: none"> File the claim Complete the eligibility period 	<ul style="list-style-type: none"> File the claim Complete the eligibility period
Collecting monthly benefit	<ul style="list-style-type: none"> Collect bills and receipts for the month and send them to the insurance company Wait to see which bills qualify for reimbursement Entitled to lesser of: qualifying expenses or maximum monthly benefit (some plans reimburse the facility or service while other plans reimburse the policyowner for bills already paid) Separately pay for nonqualifying bills Repeat this process each month 	<ul style="list-style-type: none"> Receive a check for the maximum monthly benefit (or less if you want to extend the benefit period)
What's covered?	<ul style="list-style-type: none"> Only bills for qualified long-term care services 	Benefits in excess of what's needed to pay for qualified long-term care services may be used for a variety of expenses, such as: <ul style="list-style-type: none"> Medical care and tests Home safety improvements Prescription medicine Family member to provide care Massage therapy
What's not covered?	Any expenses not specific to qualified long-term care services, such as: <ul style="list-style-type: none"> Medical care Doctor visits X-rays and tests Prescription medicine Massage therapy 	<ul style="list-style-type: none"> Once the insured has qualified for a claim, there are no restrictions on how excess benefits can be used

Keep in mind that, as an acceleration of the death benefit, the payment of benefits for qualified long-term care services will reduce both the death benefit and cash surrender values of the policy. Loans and withdrawals will also reduce both the cash values and the death benefit. Care should be taken to make sure that life insurance needs continue to be met even if the rider pays out in full, or after money is taken from the policy. There is no guarantee the rider will cover the entire cost for all of the insured's qualified services, as this may vary with the needs of each insured. Nationwide pays benefits to the policyowner; there is no guarantee the policyowner will use the benefits for the insured's expenses if the policy is owned by someone other than the insured.

The amount of tax-free LTC benefits that may be received, cumulative of all LTC policies owned on an individual insured, is the greater of the HIPAA per diem in effect for the given year of claim or actual LTC costs incurred. Any amounts collected in excess of this formula will be taxed as ordinary income. Nationwide and its representatives do not give tax advice, so please consult your attorney or tax advisor for answers to specific questions.



Take control of your future

Ask your insurance professional today for more information.



Nationwide®

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

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