

SecureCare: Frequently Asked Questions

Premium questions

Is the premium fixed for the duration of the premium payment schedule?

Yes, SecureCare is a fixed premium universal life product with single and multi-pay (5, 7, 10 or 15 years) premium options available. If a multi-year payment plan is chosen, a level premium payment is required, which is common with other linked-benefit products offered in the industry. However, if a client is unable to complete the premium schedule, they will receive a reduced paid-up benefit¹ proportional to the amount of premium already paid. This amount is shown on the proposal as well as the policy data pages.

Are there modal factors if a client wants to pay a monthly, quarterly or semi-annual premium?

No, there are no modal factors applied to any premium option. With a multi-year premium payment plan, a client can change their premium payment mode at any time. Annual is the only mode available on a single-pay policy.

Why is the premium broken down by benefit type on the illustration?

SecureCare is one of only a few premium-based linked-benefit products in the industry. The premiums are broken down to help identify which premium amounts may be eligible for the long-term care (LTC) tax deduction afforded to 7702B contracts. Please see the [SecureCare Tax Guide](#) for additional information regarding the potential tax deductibility of SecureCare premiums.

Does the policy include a waiver of premium in the base policy? If not, is there a waiver of premium rider available for the client to add?

No, there is no waiver of premium available at this time². If the client chooses a multi-year premium payment plan and is unable to complete the premium schedule, they will receive a reduced paid-up benefit proportional to the amount of premium they have already paid. This amount is shown on the proposal as well as the policy data pages.

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1. Reduced paid-up benefits refers to the reduced paid-up nonforfeiture benefit that purchases paid-up insurance in the event of premium lapse.

2. Waiver of premium is available in Connecticut.

Is the couple's discount available if only one person applies?

Yes, if the insured indicates in the application they are married, in a domestic partnership or in a civil union, they are eligible for the couple's discount. Please note: some state requirements may apply.

If a client is funding SecureCare with a 1035 exchange, can additional premium be added?

Yes, we can accept 1035 funds plus additional premium for single-pay policies. However, for multi-pay policies, the annual premium must be level for the entire duration of the premium payment schedule. For more information, please refer to [Securian Financial's 1035 exchange process overview](#). **Please note:** partial 1035 exchanges are not accepted by Securian Financial.

Covered services questions

Does SecureCare offer a care management or care coordination program?

Yes, Securian Financial's Care Management Program™ is designed to make the transition from needing care to getting care as smooth as possible. Our Care Management Program helps the client initiate a request for benefits, guides them through the claims process, and supports their ongoing care management. For additional details, please see [SecureCare – how it works: claims process](#).

Are benefits available to a client if they live or receive care outside of the United States?

Yes, we will pay the owner up to 50 percent of their monthly maximum benefit³ until their entire benefit pool is exhausted, provided the claim has been approved and the elimination period has been satisfied. This amount is not limited to their Acceleration for Long-Term Care Agreement benefits. All covered services are available internationally, including informal care. For more information, please refer to the [SecureCare – how it works: claims process](#).

Does care provided by direct family members and/or spouses count as informal care?

Yes, a friend, neighbor, family member or other loved one providing unpaid care to the insured is covered under informal care.

3. Qualified long-term care services received outside the United States, its territories or possessions are limited to the non-United States monthly benefit limit. If the insured returns to the United States, the non-United States monthly benefit limit will no longer apply.

Does SecureCare have an elimination or deductible period?

Yes, the long-term care elimination period is 90 calendar days. Once we are notified of a request for benefits and the claims intake process begins, we will review proof of claim and the elimination period will begin when the insured is certified as chronically ill. The insured is not required to receive services during this time. The insured will likely satisfy some of the elimination period prior to the approval of the claim – therefore the benefit payments will begin either 90 days from submitting the claim or immediately, if the elimination period was already satisfied in its entirety.

Are there any benefits not subject to the elimination period?

Caregiver Training⁴ and Home Modification⁵ do not have an elimination period, which means these benefits can be requested immediately after the claim is approved, so long as they are included in the insured's plan of care.

Will benefits be paid retroactively if the client was classified as chronically ill, but didn't submit a claim?

Yes. If the insured is chronically ill due to a severe cognitive impairment and the owner was unable to submit a claim, Securian Financial will pay benefits retroactively, up to a maximum of 12 months, from when the client became eligible for benefits. Other impairments do not qualify for retroactive payments.

During the claims process, do all requests for benefits require an exam by a third party instead of the insured's primary care physician?

No, there are several ways proof of claim can be satisfied. Our Care Management team will collect the necessary information to determine if the insured satisfies the definition of being chronically ill. If this information is insufficient to make that determination, an exam by a third party may be requested at no cost to the client. For more information, see [SecureCare – how it works: claims process.](#)

Process-related questions

Is backdating to save age available for SecureCare?

Yes, backdating to save age is available. For more information, please see [SecureCare – how it works: backdating.](#)

4. The caregiver training benefit can be used to pay for training of an informal caregiver, such as a friend or family member, to provide care to the insured. This benefit can be triggered prior to satisfaction of the elimination period. The maximum benefit is \$1,000.

5. Home modification benefit allows the insured to pay for modifications to his/her home, enabling the insured to remain in his/her home longer. This benefit can be triggered prior to satisfaction of the elimination period. The maximum benefit is \$5,000.

Are commissions paid differently for single pay vs. multi-pay policies?

No, commission for both single and multi-pay policies are paid in a lump sum in the first year. The commissionable premium is listed on the bottom right corner of the proposal. The charge-back schedule for surrendered policies is 100 percent in the first year, 50 percent in the second year and zero percent in the third year.

Can a client replace an existing policy with long-term care benefits when purchasing a SecureCare policy?

Yes, long-term care replacements are available in states where the multi-pay options are available. These applications require additional replacement documentation and forms, which will be evaluated through a long-term care replacement suitability review.

Does Securian Financial offer electronic application submissions?

Yes, applications can be submitted via paper or eApp (iPipeline®). eApps are ingested into the system within 24 hours and can help reduce the amount of time it takes for the case to be submitted to underwriting.

Why is the death benefit different from the face amount?

Linked-benefit products are unique in that they are a life insurance policy with LTC features, meaning they are governed by both life and LTC laws and regulations. The face amount is used to determine the initial total long-term care benefit pool, but also makes up a portion of the death benefit. Because of this, the death benefit will never be below the face amount. In many cases, the policy's death benefit will be slightly higher than the face amount for a period of time, usually earlier on in the policy. That is because in order for the policy's death benefit to be paid out income tax free, the policy must meet the definition of life insurance, which is determined using the Cash Value Accumulation Test.

Does SecureCare qualify as an LTC Partnership Plan?

No, only individual long-term care policies qualify for this program.

What are the international underwriting guidelines to apply for a new SecureCare policy?

International underwriting can be a complex process. To serve clients with this need, a variety of factors, such as the client's foreign travel, place of residence and citizenship status, is taken into account. SecureCare uses the same international underwriting guidelines as our life insurance products, which can be found on the [Securian Advisor website](#).

How is the internal rate of return (IRR) calculated on the SecureCare proposal?

The IRR is a present-value calculation of the total benefits that would be received on a monthly basis over the entire length of the benefit period, depending on when the client goes on claim.

What are the sweet spots – in terms of underwriting and age of the insured – for SecureCare?

SecureCare is often competitive in many situations; however, it is particularly competitive in the four- or six-year benefit period with inflation. The average age of applicants is between 55 to 70 years old.

What does the “crossover age” represent on the Quick Quote page in the proposal?

This column represents the age at which the total LTC pool of a policy with the inflation agreement will either match or surpass the LTC pool of a policy that does not include inflation during the same benefit period. Crossover ages only compare to the “No Inflation” option within a specific benefit period.

Insurance policy guarantees are subject to the financial strength and claims-paying ability of the issuing insurance company.

Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

Life insurance products contain fees, such as mortality and expense charges, and may contain restrictions, such as surrender periods.

Agreements may be subject to additional costs and restrictions. Agreements may not be available in all states or may exist under a different name in various states and may not be available in combination with other agreements.

SecureCare may not be available in all states. Product features, including limitations and exclusions, may vary by state.

SecureCare Universal Life Insurance includes the Acceleration for Long-Term Care Agreement. The Acceleration for Long-Term Care Agreement and Extension of Long-Term Care Benefits Agreement are tax qualified long-term care agreements that cover care such as nursing care, home and community-based care, and informal care as defined in these agreements. These agreements provide for the payment of a monthly benefit for qualified long-term care services. These agreements are intended to provide federally tax qualified long-term care insurance benefits under Section 7702B of the Internal Revenue Code, as amended. However, due to uncertainty in the tax law, benefits paid under this agreement may be taxable.

The death proceeds will be reduced by a long-term care or terminal illness benefit payment under this policy.

SecureCare may not cover all of the costs associated with long-term care or terminal illness the insured incurs. This product is generally not subject to health insurance requirements, and does not provide long-term care insurance subject to state long-term care insurance law. This product is not a state-approved Partnership for Long-Term Care Program product, and is not a Medicare Supplement policy. Receipt of a long-term care or terminal illness benefit payment under this product may adversely affect eligibility for Medicaid or other government benefits or entitlements.

ICCI7-20103, 17-20103 and any state variations; ICCI7-20111, 17-20111 and any state variations; ICCI7-20112, 17-20112 and any state variations; ICCI7-20113, 17-20113 and any state variations.

Clients should consult a tax advisor regarding long-term care benefit payments, terminal illness benefit payments, or when taking a loan or withdrawal from a life insurance contract.

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