



Take care –two simple words can imply so much

Lincoln Care Coverage[®]
Accelerated Benefits Rider for long-term care expenses

Not a deposit
Not FDIC insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

Insurance products issued by:
The Lincoln National Life Insurance Company

ICC23-LCN-5908293-082523
LCN-5908293

**The purpose of this communication is the solicitation of life insurance.
A licensed insurance agent/producer will contact you**

LIFE SOLUTIONS

Client Guide
and Fact Sheet



Help protect yourself and your savings from long-term care expenses.

By adding the *Lincoln Care Coverage*[®] Accelerated Benefits Rider (ABR) to your policy at issue for an additional cost and subject to underwriting you'll receive:

- An array of covered care services should you need care
- Care planning resources that provide caregiving coordination and support for you and your family
- Income tax-free reimbursements for qualified long-term care costs¹

Why long-term care planning is important

There are many health-related issues that can play a role in the need for long-term care, including chronic illness, accident, stroke, Alzheimer's disease — and even the aging process. Long-term care could have a significant impact on your family and your portfolio. While Medicare typically does not pay long-term care costs,² you can supplement costs that aren't covered. Rider must be added at policy issue for an additional cost and is subject to underwriting.

The *Lincoln Care Coverage* ABR can help you supplement what isn't covered if you lose your ability to independently perform at least two activities of daily living for at least 90 days or require substantial supervision due to a severe cognitive impairment.³

¹ Long-term care reimbursements are generally income tax-free under IRC Section 104(a)(3).

² Medicare.gov, <https://www.medicare.gov/coverage/long-term-care>, 2023.

³ Subject to meeting eligibility requirements.



Long-term care is the need for assistance or supervision with the activities of daily living:

- Eating
- Bathing
- Dressing
- Toileting
- Transferring
- Continence



Feel confident about your future with the protection of the *Lincoln Care Coverage*[®] ABR.

If you need care, you want choices

The *Lincoln Care Coverage* ABR will reimburse you for an array of qualified long-term care services, once eligible — including care in your home.⁵ You'll have options to fit your needs.⁶



In-home care

If you prefer to have assistance in your home



Alternative care services⁷

Not covered by traditional services or options that may evolve in the future



Assisted living

If you choose to downsize and prefer a social atmosphere

Other care services

Caregiver training and care planning services, adult day care, respite care, hospice, bed reservation⁸ and non-continual services.



Nursing home

If you need more skilled care services

Did you know?

National average annual care costs⁴



\$90,480

Home health care agency
(60 hours/week at \$29/hour)



\$63,336

Assisted living facility
(one bedroom)



\$116,435

Skilled nursing facility
(private room)

What would this do to your financial plan?

59%

More than half of those surveyed say long-term care expenses are the biggest risk to their savings.⁹

⁴ LTCG, "2022 Lincoln Financial Cost of Care Survey," March 2023, www.whatcarecosts.com/lincoln. For a printed copy, call 877-ASK-LINCOLN.

⁵ Subject to the plan of care that's prescribed by a licensed healthcare professional.

⁶ Reimbursements are subject to monthly maximums specified in your rider and eligibility requirements.

⁷ Qualified long-term care services that are not covered under any other provision, but are prescribed in the care plan that a licensed health care practitioner and Lincoln mutually agree are appropriate to meet the insured's long-term care needs, could be considered for reimbursement. These services must be provided as an alternative to services otherwise covered.

⁸ Subject to restrictions.

⁹ Versta Research, "Planning for Long-Term Care," New Findings from a 2023 Survey of Advisors and Consumers, October 2023.



Benefits you can rely on

When you need care, you'll receive monthly reimbursements for qualified long-term care services. These benefits are intended to be excluded from taxable income. Consult your tax professional and see page 7 for additional information.

Save with a Couples Discount

If you're married or have a domestic partner (as recognized in the state of policy issue at the time of application), you may be eligible for a Couples Discount – even if your spouse or partner does not apply for coverage.

Resources that make all the difference

Your care should revolve around you, and we provide the tools to help you build that plan. Our care planning resources provide you and your loved ones with complimentary access to the resources to plan over time and better assist your loved ones.

Enjoy these advantages – even before you file a claim!

- **Explore provider services:** See what's available, from skilled nursing to home health care and community options.
- **Cost of long-term care:** Understand the current and future projected cost of long-term care (LTC) services and how they differ by state and metropolitan areas.
- **Access support and resources:** You'll find a wealth of information, such as ways to reduce risk of LTC events, key conversations to prepare for care, and more.

Features and benefits

Issue ages and classes

Ages 20–80

A choice of long-term care benefits

- When your policy is issued, you determine how much of your life insurance benefit will be used as a long-term care (LTC) benefit if you would need care in the future. This is your LTC Specified Amount.
- **Choose your LTC Specified Amount.**
This can be up to 100% of your life insurance coverage amount, subject to a minimum of \$50,000 and company maximum.
- **Choose your Maximum Monthly Benefit LTC Percentage.**
This is the maximum percentage of your LTC Specified Amount that can be accelerated each policy month. You can select a 2% or 4% option. This percentage will be used to calculate the Maximum Monthly LTC Benefit Amount.
- **Company Lifetime Maximum Amount.**
This is the total LTC Specified Amount you are able to elect with your policy. It varies by the Maximum Monthly LTC Benefit Percentage, not to exceed:
 - \$2,500,000 for 2%
 - \$1,250,000 for 4%

Cost of rider

A monthly rider charge and an administrative fee apply. The current cost of insurance rates used to calculate the rider charge may increase or decrease over time, not to exceed the guaranteed maximum rates described in your policy.

Benefit eligibility

Benefits for this rider will become available once the following conditions are met:

- 90-day elimination period is satisfied.
- Written certification within the preceding 12-month period from a licensed healthcare practitioner stating that the insured is chronically ill.
- A prescribed plan of care by a licensed healthcare practitioner for covered services is received at least every 12 months.
- All claims forms and written notifications are submitted and are satisfactory.

The one-time, 90-day elimination period for this rider is satisfied by calendar days on which the insured receives covered services. Since covered services are often received on an intermittent basis, consecutive days are not required but must be satisfied within a continuous period of 730 calendar days.

Income tax-free long-term care benefits and death benefit

- Benefits are generally paid income tax-free.
- If you need qualified long-term care and have met eligibility requirements, the LTC Specified Amount is accelerated to pay for covered expenses up to a monthly maximum.

- *Lincoln Care Coverage*® ABR benefits will continue as long as you remain eligible or until your benefit is exhausted.
- If you never need to access the rider benefits, your policy death benefit is paid to your beneficiaries, income tax-free.

Exclusions

This rider does not provide benefits for:

- Treatment for alcoholism or drug addiction
- Treatment for attempted suicide or an intentionally self-inflicted injury
- Treatment provided in a Veteran's Administration or government facility
- Loss to the extent that benefits are payable from governmental programs, employment laws or motor vehicle no-fault laws
- Confinement or care received outside the United States other than benefits for nursing home care services and assisted living facility services
- Services provided by a facility or an agency that does not meet this rider's definition for such facility or agency as described in the "Covered Services" section of this rider
- Services provided by the insured's or owner's immediate family member
- Services for which no charge is (or would normally be) made in the absence of insurance

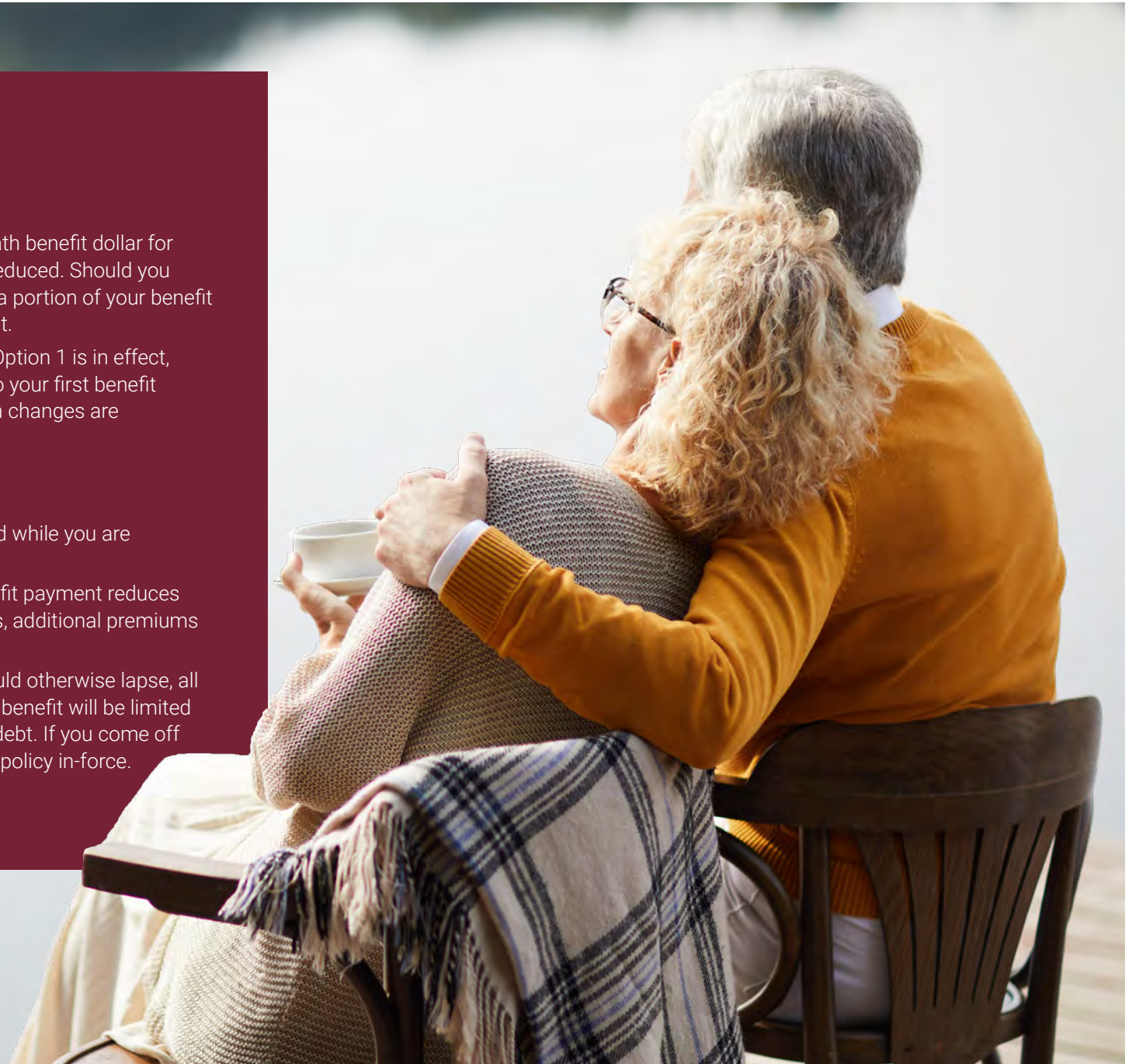
Important information

Benefit payments

- Benefit payments taken will reduce your policy death benefit dollar for dollar. Other policy values will be proportionately reduced. Should you have a loan on your policy at time of acceleration, a portion of your benefit payment will be used to repay the outstanding debt.
- If a death benefit option other than Death Benefit Option 1 is in effect, it will be changed to Death Benefit Option 1 prior to your first benefit payment. After this, no further death benefit option changes are permitted.

Lapse protection when you're on claim

- *Lincoln Care Coverage*® ABR charges will be waived while you are receiving benefit payments.
- Your policy charges will continue. While each benefit payment reduces the policy death benefit used to determine charges, additional premiums may be needed to keep the policy in-force.
- If while receiving benefit payments your policy would otherwise lapse, all monthly deductions will be waived, but your death benefit will be limited to the Remaining LTC Specified Amount, less any debt. If you come off claim, you will need to pay premiums to keep your policy in-force.



Federal and state tax information

All references to tax benefits are based on the Lincoln understanding of current tax laws and regulations. Consult your tax professional for additional information. Your licensed insurance agent/professional can provide a detailed projection of values. Should you purchase a policy with the *Lincoln Care Coverage*® ABR, you will receive an Outline of Coverage, which describes the long-term care benefits, exclusions, limitations, costs and terms regarding reductions of benefits and continuance of coverage.

Qualified long-term care insurance

The Health Insurance Portability and Accountability Act (HIPAA) defines federal tax treatment of insurance policies that provide long-term care coverage. Policies and riders that meet certain criteria are designated as “qualified long-term care insurance” and will receive certain tax incentives. The charges taken from the cash value of the life insurance contract to fund the rider benefits are excluded from taxable income, and long-term care benefits received will not be reported as taxable income.

This policy and rider is intended to meet the criteria for qualified long-term care insurance. Policies and riders that are not recognized as qualified long-term care insurance are treated differently. Premiums paid are not deductible as amounts paid for coverage under a qualified long-term care insurance contract, because the premiums are paid for coverage that is provided as part of a life insurance contract. Long-term care benefits received may constitute taxable income. Please consult your tax professional to determine whether any medical expenses you incurred qualify as deductible medical expenses.

Favorable tax treatment for qualified long-term care insurance

This coverage is intended to be recognized as qualified long-term care insurance under federal law. The acceleration of life insurance benefits provided under this rider is intended to qualify for favorable tax treatment under Section 7702B(b) of the Internal Revenue Code. For federal income tax purposes,

the policy is considered a qualified long-term care insurance contract. Note that your state insurance department does not in any way warrant that this coverage meets the requirements of Section 7702B(b) of the IRC.

Acceleration of life insurance benefits

Receiving accelerated life insurance benefits may affect eligibility for you, your spouse or your family for public assistance programs [e.g., Medicaid, Temporary Assistance for Needy Families (TANF), Supplementary Security Income (SSI) or drug assistance programs]. For more information, consult a tax professional or social services agency.

Taxation of rider costs

Lincoln Care Coverage® ABR is intended to provide qualified long-term care benefits under Internal Revenue Code Section 7702B(b).

- The costs for this rider are deducted monthly from the policy cash value and are federally treated as “distributions” from your Lincoln life insurance policy.
- Lincoln will not report these distributions as taxable to you, even if your policy is a modified endowment contract (MEC). Instead, the costs will reduce the investment in the contract. Once the investment in the contract has been reduced to zero, distributions will come from any gain in the contract but will not be reportable as taxable distributions.
- Consult your tax professional to learn how this may apply to your specific situation.

Get the protection
you need for you
and your loved ones

Help provide financial security and
protect your future with the *Lincoln
Care Coverage* ABR.





Take care. Ask your financial professional about protecting your future with the *Lincoln Care Coverage*® ABR.

Not a deposit
Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

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Lincoln Care Coverage® ABR is an optional rider available through the purchase of *Lincoln WealthAccumulate*® 2 IUL (2020) or *Lincoln WealthPreserve*® 2 IUL (2020)

This coverage is intended to be recognized as qualified long-term care insurance under federal law. The acceleration of life insurance benefits provided under the long-term care riders is intended to qualify for favorable tax treatment under Section 7702B(b) of the Internal Revenue Code. For federal income tax purposes, the policy is considered a qualified long-term care insurance contract. Note that a state insurance department does not in any way warrant that this coverage meets the requirements of Section 7702B(b) of the IRC.

Important information: Concierge Care Coordination includes claims support provided by Lincoln Financial and services provided by a third-party vendor not affiliated with Lincoln Financial. Concierge Care third-party vendors do not provide direct care or home services. Participating providers are not agents or employees of Lincoln Financial Group or the third-party vendor. Results and outcomes cannot be guaranteed. The availability of any provider cannot be guaranteed and is subject to change. Lincoln Financial does not monitor or participate in the review of programs or services referred or recommended by third-party vendors. Long-term care coverage is provided through the applicable long-term care rider offered through your Lincoln policy. Lincoln Financial Group® affiliates, their distributors, and their respective employees, representatives and/or insurance agents do not provide tax, accounting or legal advice. Please consult an independent professional as to any tax, accounting or legal statements made herein.

[*Lincoln WealthAccumulate*® 2 IUL (2020)] policy form [ICC20UL6092/UL6092] and [*Lincoln WealthPreserve*® 2 IUL (2020)] policy form [ICC20UL6091/UL6091], with optional rider form [ICC19LTC-7059/LTC-7059] and state variations are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., a broker-dealer. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so.**

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Products, riders and features are subject to state availability. The insurance policy and riders have limitations, exclusions and reductions; and are subject to medical underwriting. All contract provisions, including limitations and exclusions, should be carefully reviewed by the owner. For costs and complete coverage details, contact your financial professional.

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