

**Accelerated Death Benefit for  
Chronic Illness Agreement**  
Individual Life Insurance

Products issued by:  
Minnesota Life Insurance Company | Securian Life Insurance Company

Financial security  
*for the long run*®



# TAKE CARE OF TOMORROW, TODAY

Enhance your client's life policy with chronic illness protection

Financial Professional



# Our Chronic Illness Agreement

**With baby boomers aging, life expectancies increasing and health care costs rising – the demand for chronic illness coverage has never been greater.** In addition to providing your clients with a death benefit, you can help protect their lifestyles, financial stability and families with our Accelerated Death Benefit for Chronic Illness Agreement (CIA),<sup>1</sup> available on select products.

In this guide, you'll find technical details about the CIA that can help you answer questions from your clients on the benefits and protection of this agreement. Help your clients take care of tomorrow, today.

<sup>1</sup> Additional agreements may be available. Agreements may be subject to additional costs and restrictions. Agreements may not be available in all states, may exist under a different name in various states and may not be available in combination with other agreements.

## GOOD RELATIONSHIPS get better with time

For over 135 years, Securian Financial Group and its affiliates have been committed to supporting our clients through every stage of life. Securian's enduring financial strength can give your clients confidence their policies will provide benefits when they and their family need them.

When your clients purchase a life insurance policy from one of Securian's affiliates, Minnesota Life or Securian Life, they don't just become policyholders – they're treated like our partners. Our loyal policyholders can expect to receive ongoing policy enhancements whenever possible and a level of customer service that sets us apart from our peers.

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# The market

The CIA brings a fresh alternative to clients seeking chronic illness protection. **Unlike traditional long-term care products, the CIA allows clients to receive benefits regardless of whether they require care.**<sup>2</sup> Clients may receive chronic illness benefits, a death benefit or both.<sup>3</sup>

This agreement provides benefits to help with expenses if the insured becomes chronically ill.

## The CIA is for people who want:

### Financial independence

Help clients avoid financially burdening family members or depending on government services for care.

### Asset protection

Help clients prevent care expenses from draining retirement assets and other savings.

### Flexibility

Clients may use the benefit payments however they choose – including paying for care from family, groceries, assisted living, housekeeping and much more.

### Benefits paid no matter what<sup>4</sup>

Benefits will either be paid to help with expenses if the insured becomes chronically ill, to their beneficiaries as a death benefit, or both.

### Control of benefits

Clients can choose the amount of benefits they want to receive up to the monthly maximum or a lesser amount – allowing benefits to potentially last longer.

### Tax advantages

The maximum chronic illness benefit paid the IRS per diem rate of \$340 per day.<sup>5</sup> This means the benefits paid to the client may receive favorable income tax treatment.<sup>6</sup>

<sup>2</sup> Care is required in some states.

<sup>3</sup> The accumulation value, surrender value, loan value, and death benefit will be reduced by a chronic illness benefit payment under this agreement.

<sup>4</sup> As long as premiums are paid and the policy remains in force. Guarantees are based on the claims-paying ability of the issuing insurance company.

<sup>5</sup> Amount shown for 2016; adjusted each year for inflation. The IRS daily per diem rate takes into consideration benefits received by an individual from all long-term care and chronic illness contracts.

<sup>6</sup> Due to uncertainty in the tax law, chronic illness benefits paid from a life insurance contract may be taxable. Please ensure that your clients consult a tax advisor regarding chronic illness care benefit payments from a life insurance contract.

# Benefits offer flexibility for clients

Our Chronic Illness Agreement provides for a cash benefit. **As long as the insured meets the benefit eligibility requirements, the contract will pay up to the maximum monthly CIA amount.**

**Clients can use CIA benefit payments for whatever they want, including but not limited to:**

- Care from family/home healthcare
- Home remodeling/personal loans
- Groceries/prescriptions
- Transportation/food delivery
- Housekeeping/lawn care
- Assisted living/skilled nursing care

## Agreement features

The CIA pays a monthly benefit for certified chronically ill individuals. It's an acceleration of the policy's death benefit, so it reduces the death benefit and surrender value.

<b>Issue ages</b>	20-80
<b>Maximum CIA face amount</b>	Amount selected at time of issue. 10%-100% of the life insurance base face amount (not to exceed \$5 million)
<b>Cost</b>	Flat rate per \$1,000 of face amount. Rate varies by age and underwriting class
<b>Maximum monthly CIA benefit<sup>7</sup></b>	The lesser of 2 or 4 percent of the CIA face amount or IRS per diem limit <sup>8</sup>
<b>Elimination period</b>	<b>All states except NY:</b> 90 calendar days <b>New York:</b> None
<b>Benefit payments</b>	<b>All states except NY:</b> Not paid during elimination period, not paid retroactively <b>New York:</b> Paid retroactively to the beginning of the insured's certification as being chronically ill
<b>Benefit eligibility</b>	<b>All states except NY:</b> (1) Certified as a chronically ill individual <sup>9</sup> (2) Elimination period satisfied <b>New York:</b> (1) Certified as a chronically ill individual <sup>9</sup> and requires continuous care for the remainder of the insured's life in his or her home or eligible facility; (2) Receiving services which are specified in the plan of care and expected to remain so for the remainder of his or her life; (3) Proof of loss includes expenses incurred and a plan of care
<b>Underwriting issue classes</b>	Preferred, Standard Plus, Standard
<b>Impact to base life insurance policy</b>	<b>While monthly CIA benefits are being paid:</b> <ol style="list-style-type: none"> <li>1. Life insurance death benefit and surrender value are reduced</li> <li>2. A portion of the CIA benefit may be applied to any outstanding loans, if applicable</li> <li>3. No loans or partial surrenders (not applicable in NY)</li> <li>4. The accumulation value is moved to the Fixed Account</li> </ol>
<b>Monthly benefit termination</b>	<b>Chronic illness benefits end upon:</b> <ul style="list-style-type: none"> <li>- Depletion of dedicated CI death benefit amount</li> <li>- Insured's death</li> <li>- Policy surrender</li> <li>- Failure to meet eligibility requirements</li> </ul>

<sup>7</sup> The accumulation value, surrender value, loan value and death benefit will be reduced by a chronic illness benefit payment under this agreement.

<sup>8</sup> 2016 IRS limits: \$10,200/month or \$124,100/year based on \$340/day. Limits are subject to change.

<sup>9</sup> See page 8 for "chronically ill individual" definition.



# How the CIA works

## 1. Determine the life insurance face amount and add the CIA to the policy.

## 2. Policyowner chooses the chronic illness benefits:

- 10%-100% of the life insurance face amount to provide chronic illness benefits (minimum \$100,000, not to exceed \$5 million).
- Maximum monthly CIA benefit (2% or 4%) of the dedicated face amount.

## 3. Policyowner pays the life insurance premiums.

- CIA charges are deducted from the accumulation value (along with other charges).

## 4. Qualify to receive chronic illness benefits:<sup>10</sup>

- The policyowner is eligible for CIA benefits upon the insured's being certified as a chronically ill individual and satisfying the elimination period.
- Policy will not lapse while on claim.

## 5. Monthly CIA benefits paid:

- Policyowner determines payment up to the maximum monthly CIA benefit selected. The remainder stays in the policy.
- Life insurance death benefit is reduced, dollar-for-dollar, based on the CIA benefits paid. This is calculated upon payment of each monthly CIA benefit payment.<sup>11</sup>
- If a loan exists, a portion of the monthly CIA benefit will be used to pay down the balance of the loan.
- CIA charges are waived while chronic illness benefit payments are being made.<sup>12</sup>

## 6. Monthly chronic illness benefits end upon:

- Depletion of the chronic illness death benefit amount.
- Insured's death.
- Policy surrender.
- Failure to meet eligibility requirements.

### If the insured goes off claim while CIA or death benefits remain:

1. CIA charges will resume.
2. If the policy has little to no cash value, or the death benefit guarantee has lapsed, the owner may need to pay additional premiums in order to keep the policy in force.
3. At death, the remaining death benefit will be paid to the beneficiaries.

<sup>10</sup> Eligibility for CIA benefits varies by state. See page 4 for benefit eligibility details.

<sup>11</sup> The accumulation value, surrender value and loan value are also reduced by a chronic illness benefit payment under this agreement.

<sup>12</sup> If the policy accumulation value goes to zero while chronic illness benefit payments are being made, all policy and agreement charges that would otherwise be assessed against the accumulation value will be waived.

# How partial surrenders and loans impact the policy

## Partial surrender example

Before	After partial surrender of \$10,000 (2%)
Death benefit = \$500,000	Death benefit = \$490,000
CIA amount = \$400,000	CIA amount = \$392,000

Note: Partial surrender of the death benefit is reduced proportionately to the CIA amount. This example assumes there are no outstanding policy loans.

## Outstanding loan example

CIA amount	\$200,000
Monthly benefit percentage	2%
Initial loan	\$1,000
Initial death benefit (without loan)	\$200,000
Gross CIA benefit	\$4,000
Death benefit (without loan) immediately after	\$196,000
Loan interest due at CIA benefit	\$3.27
1 minus new death benefit divided by old death benefit	2%
Policy loan repayment	\$20
Benefit applied to loan	\$23.27

# Charges

Monthly charge	Charge equals CIA cost of insurance rate multiplied by CIA net amount at risk.
Maximum monthly CIA cost of insurance rate	Shown on the policy data pages.
CIA net amount at risk	<p>Amount at risk equals the greater of:</p> <ol style="list-style-type: none"> <li>1. Zero; or</li> <li>2. CIA amount minus proportionate* amount of the policy accumulation value.</li> </ol> <p>*Proportion is equal to the CIA amount divided by the policy face amount.</p>
Subject to change	Charges can change on a uniform basis for insureds of the same gender, risk class and age when the agreement became effective.

# Underwriting requirements

1. **Supplemental application is required** because underwriting takes into account medical conditions that may cause a chronic illness but not necessarily result in death. This is required to gather all of the necessary medical information to underwrite this agreement.
2. **Different ratings are possible** since the CIA is underwritten for morbidity instead of mortality.
3. **Three underwriting classes available:** Preferred, Standard Plus and Standard.
4. **Ability to add on approved products** is allowed after issue or with a term conversion based on full underwriting for the agreement only.
5. Available on life insurance contracts **rated Table D or better.**

## Third party, trust and entity-owned life insurance

If a life insurance policy with the CIA is owned by someone other than the insured, such as a trust or other entity, fiduciary responsibility, dividend payments and/or gift tax implications should be considered. Clients are strongly encouraged to consult their estate planning attorney prior to purchasing such policies. If the policy is employer-owned, the tax-free status of the death benefit may be subject to meeting the insured's notice, consent and income requirements of Employer-Owned Life Insurance (IRC Section 101(j)).

## Life insurance settlements

If a life insurance policy with the CIA is sold in a life settlement, the settlement owner may choose not to distribute benefits to an insured in a qualifying event. Clients are strongly encouraged to consult their estate planning attorney prior to entering into such an arrangement.

## Compensation

The CIA has its own target premium, much like other policy agreements. Addition of the CIA will increase the total target premium for the policy. Please refer to your compensation agreements for information on a particular policy's compensation plan.

# Submitting a claim for benefits

The policyowner is eligible for CIA benefits upon the insured's being certified as a chronically ill individual and satisfying the elimination period. Eligibility requirements vary in NY. Please see page 4 for details.

## Insured's certification as "chronically ill individual"

### **Chronically ill individual (all states except NY)**

Insured has been certified by a licensed health care practitioner within the preceding 12-month period as:

- (1) Being unable to perform, without substantial assistance, at least two activities of daily living (activities that include eating, bathing, toileting, continence, dressing and transferring) due to loss of functional capacity for period of at least 90 days; OR
- (2) Requiring substantial supervision to protect the insured from threats to health and safety due to a severe cognitive impairment (confinement due to medical condition is required to be permanent in CT).

### **NY definition of chronically ill individual**

Insured has been certified by a licensed health care practitioner as:

- (1) Being unable to perform, without substantial assistance from another person, at least two activities of daily living due to a loss of functional capacity for at least 90 days; OR
- (2) Requiring substantial supervision to protect the person from threats to health and safety due to a severe cognitive impairment.

## Claims procedures

 If the insured is certified chronically ill, a written request for chronic illness benefit payment must be sent to our home office.

 Once notice of claim is received, Minnesota Life/Securian Life will send forms for verifying eligibility and filing proof of loss, as well as a statement demonstrating the effect of the chronic illness benefit payments on the policy's cash value, death benefit, premium, cost of insurance charges and policy. Chronic illness benefit payments will not be made if the requested proof of loss is not received.

 At the end of the 90-day elimination period, recertification by a licensed health care practitioner that the insured is chronically ill may be required. This recertification may be required annually.

## Notification of stopped care and benefits

Chronic illness benefit payments will no longer be available as of the date the insured is not a chronically ill individual. The insured must notify us in writing immediately if he or she is no longer certified as a chronically ill individual.

# Payment of **benefits**

## Who gets benefits

- All benefits are paid to the policyholder provided he or she is legally competent at the time.
- The policyholder can assign the benefit payments to a named alternative payee designated by the policyholder or a legal representative if he or she is legally competent at the time of assignment.
- If the insured dies while receiving benefit payments, the remaining death benefit is paid according to the provisions of the policy.

## When benefits are paid

- Chronic illness benefit payments will be paid no more frequently than monthly.
- Chronic illness benefit payments will continue as scheduled, as long as the insured remains a chronically ill individual and the requirements otherwise specified in this agreement are satisfied, until 100% of the chronic illness death benefit amount has been paid, or the policy is terminated.
- Any eligible benefits due and payable prior to the insured's death will be paid if we receive proof of loss within the 15-day period following notice of death.

## Policy changes and transactions

Policy changes, requests for new loans or other transactions are not allowed while chronic illness benefit payments are being made.

# CIA **definitions**

## Activities of daily living

The activities of daily living refer to basic functional abilities that measure the insured's ability for self-care and ability to live independently without substantial assistance from another individual. The six activities of daily living are:

- 1. Bathing:** Washing oneself by sponge bath; or in either a tub or shower, including the task of getting into or out of the tub or shower.
- 2. Continence:** The ability to maintain control of bowel and bladder function or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
- 3. Dressing:** Putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
- 4. Eating:** Feeding oneself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously.
- 5. Toileting:** Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- 6. Transferring:** Moving into or out of a bed, chair or wheelchair.

## **Chronic illness benefit payment**

The amount of accelerated death benefit paid when the insured has been certified as being a chronically ill individual.

## **Chronic illness death benefit amount**

The amount that represents the maximum total amount of accelerated death benefits available under this agreement as selected on the application.

## **Elimination period**

The required period of time for which no accelerated death benefits are payable following the date the insured is determined to be eligible for benefits.

- The elimination period is 90 days.
- The elimination period starts on the first day that the insured meets the terms of a qualifying event.
- The elimination period ends 90 calendar days after the elimination period starts.
- Accelerated death benefits will not be paid until the elimination period is satisfied.
- Accelerated death benefits will not be paid retroactively during the elimination period.
- The elimination period has to be satisfied only once while this agreement is in effect.

## **Severe cognitive impairment**

The deterioration or loss of intellectual capacity which requires substantial assistance by another person to protect the insured or others from threats to health and safety. Severe cognitive impairment is measured by clinical evidence and standardized tests that reliably measure the insured's impairment in the following areas:

- Short-term or long-term memory; or
- Orientation to people, places or time; or
- Deductive or abstract reasoning; or
- Judgment as it relates to safety awareness.

Severe cognitive impairment includes Alzheimer's disease and similar forms of irreversible dementia.

# WE ARE SECURIAN

You may not have heard of us. Boasting is not our strong suit. But we are one of the nation's largest and strongest financial services providers. Securian provides retirement solutions, investments and insurance through our subsidiaries, including Minnesota Life. Minnesota Life issues our life insurance policies<sup>13</sup> and has been a respected presence in the industry for more than a century.

For more information about the rating agencies and to see where our ratings rank relative to others, visit [securian.com/ratings](https://www.securian.com/ratings).

**WE ARE** a highly rated company headquartered in St. Paul, Minnesota.

**WE DO** what's right. Our strong record of transparency, compliance and ethical conduct sets us apart.

**WE ARE** a trusted long-term partner with a laser-sharp focus on helping people reach their goals – now and in the years ahead.

<sup>13</sup> In all states except New York. In New York, policies are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in Saint Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

Due to uncertainty in the tax law, chronic illness benefits paid from a life insurance contract may be taxable. Please ensure that your clients consult a tax advisor regarding chronic illness care benefit payments from a life insurance contract.

The Accelerated Death Benefit for Chronic Illness Agreement is a life insurance policy agreement that provides an option to accelerate the death benefit in the event that the insured becomes chronically ill.

The accumulation value, surrender value, loan value, and death benefit will be reduced by a chronic illness benefit payment under this agreement.

The Accelerated Death Benefit for Chronic Illness Agreement may not cover all of the costs associated with chronic illness. The Agreement 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 Agreement is not a state-approved Partnership for Long Term Care Program Agreement, and is not a Medicare supplement policy. Receipt of Chronic Illness Benefit payments under this agreement may adversely affect eligibility for Medicaid or other government benefits or entitlements.

Life insurance products contain fees, such as mortality and expense charges (which may increase over time), and may contain restrictions, such as surrender periods.

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



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Insurance products are issued by Minnesota Life Insurance Company in all states except New York. In New York, products are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues. 400 Robert Street North, St. Paul, MN 55101-2098

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**Long-Term Care and Chronic Illness**  
Individual Life Insurance

Insurance products issued by: Minnesota Life Insurance Company

Financial security  
*for the long run*®



# Long-Term Care and Chronic Illness Products **AT-A-GLANCE**





**Securian offers tax-advantaged, long-term care (LTC) and chronic illness (CI) solutions to address a wide range of client needs.** Use this products at-a-glance to learn more about our current LTC and CI agreements and products – as well as how they compare to one another – and find the ideal solution for your client.

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# Agreement and life product comparison

## Agreements available with life insurance products

Agreement	Availability <sup>1</sup>	Ideal client	Benefits	How it works
<b>Chronic Illness Conversion Agreement (CICA)</b>	<ul style="list-style-type: none"> <li>Available on term policies with face amounts of \$100,000 - \$5 million</li> <li>Must have the Extended Conversion Agreement (ECA)</li> </ul>	<ul style="list-style-type: none"> <li>Individuals who plan to convert their term policy to permanent coverage in the future</li> <li>Want to lock in their insurability for chronic illness protection</li> </ul>	<ul style="list-style-type: none"> <li>Guarantees the right to convert to an available individual life policy that offers chronic illness benefits</li> <li>Does not require evidence of insurability at the time of conversion</li> </ul>	<ul style="list-style-type: none"> <li>Underwritten at issue; premium based on age, sex, underwriting class and coverage amounts</li> <li>Upon adding the CICA to an Advantage Elite Select Term policy, the policyholder chooses the maximum chronic illness death benefit amount that will be available upon conversion</li> <li>Owner may convert any percentage of this amount for chronic illness benefits with the addition of the Chronic Illness Agreement on the policy.<sup>2</sup></li> </ul>
<b>Accelerated Death Benefit for Chronic Illness Agreement (CIA)</b>	<ul style="list-style-type: none"> <li>Available with any of our currently available individual universal life insurance policies</li> </ul>	<ul style="list-style-type: none"> <li>Protection-focused individuals</li> </ul>	<ul style="list-style-type: none"> <li>Provides a chronic illness benefit payment through an acceleration of death benefit when the insured is chronically ill</li> <li>Cash indemnity benefits can pay for care or anything clients choose</li> </ul>	<ul style="list-style-type: none"> <li>Underwritten at issue; charge based on age, sex, underwriting class and coverage amounts</li> <li>2% or 4% monthly chronic illness benefit payments reduce the policy's death benefit dollar-for-dollar</li> </ul>
<b>Long-Term Care Agreement (LTCA)</b>	<ul style="list-style-type: none"> <li>Available in California with Accumulator IUL, Eclipse IUL, Eclipse Protector IUL, Accumulator VUL and VUL Defender®</li> </ul>	<ul style="list-style-type: none"> <li>Protection-focused individuals</li> </ul>	<ul style="list-style-type: none"> <li>Provides a long-term care benefit payment through an acceleration of the death benefit when the insured is chronically ill</li> <li>Traditional indemnity payments can pay for care or anything the clients choose</li> </ul>	<ul style="list-style-type: none"> <li>Underwritten at issue; charge based on age, sex, underwriting class and coverage amounts</li> <li>2% or 4% monthly LTCA benefit payments reduce the policy's death benefit dollar-for-dollar</li> </ul>
<b>Chronic Illness Access Agreement (CIAA)</b>	<ul style="list-style-type: none"> <li>Available with Orion IUL</li> </ul>	<ul style="list-style-type: none"> <li>Accumulation-focused individuals</li> </ul>	<ul style="list-style-type: none"> <li>Provides a chronic illness benefit payment through an acceleration of death benefit when the insured is chronically ill</li> </ul>	<ul style="list-style-type: none"> <li>No underwriting or charge for this agreement</li> <li>When an annual chronic illness benefit payment is made, the amount of death benefit accelerated will be greater than the chronic illness benefit payment</li> </ul>

**Please note the following 2017 IRS per diem limits: \$10,800/month or \$131,400/year. Based on \$360/day for 30-day month and 365-day year.**

<sup>1</sup> "Availability" based on state approvals.

<sup>2</sup> If the owner adds the Chronic Illness Agreement at the time of conversion, a minimum of \$100,000 of the CICA amount must be converted. No more than the new permanent base face amount may be converted. If the policy has the Benefit Distribution Agreement, the CICA maximum is the base face amount.

## Permanent life products with built-in long-term care or chronic illness benefits

Product	Ideal client	Benefits	How it works
<p><b>CareShield Universal Life (CareShield®)</b></p> <p>Universal life policy with built-in accelerated death benefits for chronic illness</p>	<ul style="list-style-type: none"> <li>• Individuals seeking both life insurance coverage and chronic illness benefits</li> <li>• Desires lifetime guaranteed premiums</li> </ul>	<ul style="list-style-type: none"> <li>• Guaranteed premiums will never increase</li> <li>• Life insurance death benefit that can be accelerated for chronic or terminal illness</li> <li>• Return of premium option</li> <li>• Cash indemnity benefits can pay for care or anything clients choose</li> </ul>	<ul style="list-style-type: none"> <li>• Client pays annual, semi-annual, quarterly or monthly premiums</li> <li>• CareShield provides benefits: <ul style="list-style-type: none"> <li>- Tax-free death benefit</li> <li>- Monthly 4% acceleration of death benefit for chronic illness</li> <li>- Terminal illness benefit</li> <li>- 50%, 75% or 100% Return of premium after 15, 20 or 25 years</li> </ul> </li> </ul>
<p><b>SecureCare Universal Life (SecureCare)</b></p> <p>Hybrid life/LTC, single-premium, permanent life insurance policy with indemnity-style long-term care benefits</p>	<ul style="list-style-type: none"> <li>• Individuals with the primary need to cover potential long-term care expenses</li> <li>• Desires benefits that may keep up with inflation</li> <li>• Desires a single-premium solution</li> <li>• Individuals with enough assets to cover retirement income needs</li> </ul>	<ul style="list-style-type: none"> <li>• Simplicity of traditional indemnity benefits only requires clients to show they received informal care or at least \$1 of qualified LTC expenses to receive up to the full monthly benefit</li> <li>• Flexibility to customize coverage period</li> <li>• Enhance coverage through inflation protection option</li> <li>• Freedom to choose where and how clients receive care</li> </ul>	<ul style="list-style-type: none"> <li>• Client funds the policy with a one-time, lump-sum premium and can choose among the following: <ul style="list-style-type: none"> <li>- LTC benefit period (2-7 years)</li> <li>- Inflation protection (3% simple, 5% simple, 3% compound, 5% compound)</li> </ul> </li> <li>• Return of premium upon policy surrender (80% after first year, up to 100% return of premium beginning the sixth year)<sup>3</sup></li> <li>• If LTC benefits are exhausted, minimum death benefit of 10% of face amount or \$10,000 – whichever is less</li> </ul>

**Please note the following 2017 IRS per diem limits:** \$10,800/month or \$131,400/year. Based on \$360/day for 30-day month and 365-day year.

<sup>3</sup> Upon surrender, the policy owner will receive the greater of the surrender value and the return of premium value minus any benefit payments received minus any indebtedness. The return of premium may not equal the sum of premiums paid. Surrenders are subject to a return of premium vesting schedule. Policies that are fully vested are eligible for a full return of all premiums paid.

# Chronic Illness Conversion Agreement (CICA)

Available in all states except California, Hawaii, Massachusetts and Washington

## Why CICA?

- Guarantees your client the right to convert to an available individual life policy and add the Accelerated Death Benefit for Chronic Illness Agreement
- No evidence of insurability needed at the time of conversion

<b>Issue ages</b>	16-60
<b>Extended Conversion Agreement (ECA) requirements</b>	Must have the ECA (not applicable on 5-year term)
<b>Conversion period</b>	The lesser of age 65 or the end of the ECA period (may differ from base life policy)
<b>Available on face amounts</b>	\$100,000 minimum; \$5 million maximum
<b>CICA maximum</b>	If the policy has the Benefit Distribution Agreement, the CICA maximum is the base face amount
<b>CICA minimum</b>	<ul style="list-style-type: none"> <li>• If the owner adds the Chronic Illness Agreement at conversion, a minimum of \$100,000 of the CICA amount must be converted</li> <li>• No more than the new permanent base face amount may be converted</li> </ul>

# Accelerated Death Benefit for Chronic Illness Agreement (CIA)

Available in all states except California

## Why CIA?

- Enhances your client’s life insurance policy with chronic illness protection
- Choice of 2 or 4 percent monthly benefit
- Flexibility in selecting benefit amount when exercised
- Cash indemnity benefits provide freedom to save or spend benefit payments any way your client chooses

<b>Issue ages</b>	20-80
<b>Maximum CIA face amount</b>	Amount selected at time of issue. 10%-100% of the life insurance base face amount (not to exceed \$5 million)
<b>Cost</b>	Charge equals the chronic illness cost of insurance rate multiplied by the chronic illness net amount at risk. Rate varies by age, gender and underwriting class
<b>Maximum monthly CIA benefit<sup>4</sup></b>	The lesser of 2 or 4 percent of the CIA face amount or IRS per diem limit
<b>Elimination period</b>	<b>All states except NY:</b> 90 calendar days <sup>5</sup> <b>New York:</b> None
<b>Benefit payments</b>	<b>All states except NY:</b> Not paid during elimination period, not paid retroactively <b>New York:</b> Paid retroactively to the beginning of the insured’s certification as being chronically ill
<b>Benefit eligibility</b>	<b>All states except NY:</b> (1) Certified as a chronically ill individual <sup>6</sup> (2) Elimination period satisfied (3) Policy is in force <b>New York:</b> (1) Certified as a chronically ill individual <sup>7</sup> and requires continuous care for the remainder of the insured’s life in his or her home or eligible facility (2) Receiving services which are specified in the plan of care and expected to remain so for the remainder of his or her life (3) Proof of loss includes expenses incurred and a plan of care (4) Policy is in force
<b>Underwriting issue classes</b>	Preferred, Standard Plus, Standard
<b>Impact to base life insurance policy<sup>4</sup></b>	<b>While monthly CIA benefits are being paid:</b> <ol style="list-style-type: none"> <li>1. Life insurance death benefit and surrender value are reduced</li> <li>2. A portion of the CIA benefit may be applied to any outstanding loans, if applicable</li> <li>3. No loans or partial surrenders (not applicable in NY)</li> <li>4. The accumulation value is moved to the Fixed Account or Guaranteed Interest Account, if applicable</li> </ol>
<b>Monthly benefit termination</b>	<b>Chronic illness benefits end upon:</b> <ul style="list-style-type: none"> <li>• Depletion of dedicated CI death benefit amount</li> <li>• Insured’s death</li> <li>• Policy surrender</li> <li>• Failure to meet eligibility requirements</li> </ul>

<sup>4</sup> The accumulation value, surrender value, loan value, and death benefit will be reduced by a chronic illness benefit payment under this agreement.

<sup>5</sup> The expected 90-day period for loss of functional capacity does not establish a waiting period beyond the elimination period before benefits become payable under the agreement.

<sup>6</sup> Insured has been certified by a licensed health care practitioner within the preceding 12-month period as: (1) being unable to perform without substantial assistance, at least two Activities of Daily Living due to loss of functional capacity (activities that include eating, bathing, toileting, continence, dressing and transferring) for period of at least 90 days(footnote 5) or (2) requiring substantial supervision to protect the insured from threats of health and safety due to sever cognitive impairment. (Confinement due to medical condition is required to be permanent in CT.)

<sup>7</sup> Insured has been certified by a licensed health care practitioner as (1) being unable to perform, without substantial assistance from another person, at least two Activities of Daily Living due to a loss of functional capacity for at least 90 days; or (2) requiring substantial supervision to protect the person from threats to health and safety due to severe cognitive impairment.

# Long-term Care Agreement (LTCA)

Only available in California

## Why LTCA?

- Enhances your client’s life insurance policy with long-term care protection
- Choice of 2 or 4 percent benefit
- Flexibility in selecting benefit amount when exercised
- Traditional indemnity benefits means freedom to save or spend benefit payments any way your client chooses

<b>Issue ages</b>	20-80				
<b>Maximum LTCA face amount</b>	Amount selected at time of issue. 10%-100% of the life insurance base face amount (minimum of \$100,000, not to exceed \$5 million)				
<b>Cost</b>	Charge equals LTCA cost of insurance rate multiplied by LTCA net amount at risk. Rate varies by age, gender and underwriting class				
<b>Maximum monthly LTCA benefit<sup>8</sup></b>	The lesser of 2 or 4 percent of the LTCA face amount or IRS per diem limit				
<b>Elimination period</b>	90 calendar days				
<b>Benefit payments</b>	Not paid during elimination period, not paid retroactively				
<b>Benefit eligibility</b>	(1) Certified as a chronically ill individual <sup>9</sup> (2) Insured is receiving qualified LTC services covered under this agreement (3) Plan of care submitted to us (4) Elimination period satisfied (5) Policy is in force				
<b>Underwriting issue classes</b>	Preferred, Standard and Substandard				
<b>Impact to base life insurance policy<sup>8</sup></b>	<p><b>While monthly LTCA benefits are being paid:</b></p> <table border="0"> <tr> <td>1. Life insurance death benefit and surrender value are reduced</td> <td>3. No loans or partial surrenders while on claim</td> </tr> <tr> <td>2. A portion of the LTCA benefit may be applied to any outstanding loans, if applicable</td> <td>4. The accumulation value is moved to the Fixed Account or Guaranteed Interest Account, if applicable</td> </tr> </table>	1. Life insurance death benefit and surrender value are reduced	3. No loans or partial surrenders while on claim	2. A portion of the LTCA benefit may be applied to any outstanding loans, if applicable	4. The accumulation value is moved to the Fixed Account or Guaranteed Interest Account, if applicable
1. Life insurance death benefit and surrender value are reduced	3. No loans or partial surrenders while on claim				
2. A portion of the LTCA benefit may be applied to any outstanding loans, if applicable	4. The accumulation value is moved to the Fixed Account or Guaranteed Interest Account, if applicable				
<b>Monthly benefit termination</b>	<p><b>Long-term care benefits end upon:</b></p> <table border="0"> <tr> <td>• Depletion of dedicated LTC death benefit amount</td> <td>• Policy surrender</td> </tr> <tr> <td>• Insured’s death</td> <td>• Failure to meet eligibility requirements</td> </tr> </table>	• Depletion of dedicated LTC death benefit amount	• Policy surrender	• Insured’s death	• Failure to meet eligibility requirements
• Depletion of dedicated LTC death benefit amount	• Policy surrender				
• Insured’s death	• Failure to meet eligibility requirements				

<sup>8</sup> The accumulation value, surrender value, loan value, and death benefit will be reduced by a chronic illness benefit payment under this agreement.

<sup>9</sup> Insured has been certified by a licensed health care practitioner within the preceding 12-month period as: (1) being unable to perform without substantial assistance, at least two Activities of Daily Living due to loss of functional capacity (activities that include eating, bathing, toileting, continence, dressing and transferring) for period of at least 90 days (footnote 5) or (2) requiring substantial supervision to protect the insured from threats of health and safety due to severe cognitive impairment.

# Chronic Illness Access Agreement (CIAA)

Available in all states except California, Connecticut and New York

## Why CIAA?

- Chronic illness benefit payment through an acceleration of death benefit when the insured is chronically ill
- No additional underwriting and can be added at any time after issue
- No monthly charge and allows for additional cash accumulation

<b>Issue ages</b>	0-80 years old based on nearest birthday	
<b>Minimum face amount</b>	\$50,000	
<b>Cost</b>	No additional cost	
<b>When can CIAA be added to the policy</b>	At any time	
<b>Maximum annual benefit</b>	25% of the face amount; the benefit payment cannot exceed the per diem amount allowed by the IRS multiplied by the number of days in the calendar year	
<b>Elimination period</b>	90 Calendar days (variations may apply)	
<b>Benefit payments</b>	One chronic illness benefit payment will be made in any 12-month period measured from the date of the most recent chronic illness benefit payment (variations may apply)	
<b>Benefit eligibility</b>	(1) Certified as a chronically ill individual <sup>10</sup> (2) Elimination period satisfied (3) No chronic illness benefit payment made in last 12 months (4) Policy is in force (variations may apply)	
<b>Underwriting issue classes</b>	None	
<b>Impact to base life insurance policy</b>	<p><b>While CIAA benefits are being paid:</b></p> <ol style="list-style-type: none"> <li>1. Life insurance death benefit and surrender value are reduced</li> <li>2. Accumulation value is adjusted</li> <li>3. A portion of the CIAA benefit may be applied to outstanding loans, if applicable</li> </ol>	
<b>Benefit termination</b>	<p><b>Chronic illness benefits end upon:</b></p> <ul style="list-style-type: none"> <li>• Policy surrender</li> <li>• Insured's death</li> <li>• The date that all accelerated death benefits equal the eligible accelerated death benefit amount</li> <li>• The date that all chronic illness benefit payments equal the lifetime maximum chronic illness benefit payment</li> <li>• Receipt of an accelerated death benefit payment under a terminal illness agreement</li> </ul>	

<sup>10</sup> Chronically ill individual: An insured who has been certified by a licensed health care practitioner within the preceding twelve-month period as: (1) being unable to perform, without substantial assistance from another person, at least two activities of daily living due to a loss of functional capacity for a period of at least 90 days, or (2) requiring substantial supervision to protect the insured from threats to health and safety due to severe cognitive impairment.

# CareShield®

Available in all states except California and New York

## Why CareShield?

- Guaranteed death benefit and guaranteed living benefits for chronic illness and terminal illness
- Guaranteed premiums – rates will never increase
- Return of premium feature
- Asset preservation tool

<b>Policy type</b>	Universal life policy with accelerated death benefits for chronic and terminal illnesses
<b>Issue ages</b>	35-75 based on age nearest birthday
<b>Minimum and maximum face amount</b>	\$50,000 minimum; \$500,000 maximum
<b>Death benefit option and test</b>	Level; CVAT
<b>Benefit payments</b>	Maximum monthly cash indemnity benefit is equal to the lesser of 4% of the death benefit or IRS per diem limit. Benefits can be used for any purpose the policyholder chooses. “Chronic illness” does not require an expectation of a permanent condition. <sup>11</sup>
<b>Benefit eligibility</b>	(1) Certified as a chronically ill individual <sup>10</sup> (2) Elimination period satisfied (3) Policy is in force
<b>Terminal illness benefit</b>	Allows for advance payment of the death benefit if the insured is certified as having a terminal condition (a condition caused by sickness or accident which directly results in a life expectancy of 12 months or less)
<b>Return-of-premium feature<sup>12</sup></b>	Policyholder can elect to terminate coverage and receive a refund of a portion of premiums paid. <ul style="list-style-type: none"> <li>• <b>After 15th policy anniversary:</b> 50% of premiums returned</li> <li>• <b>After 20th policy anniversary:</b> 75% of premiums returned</li> <li>• <b>After 25th policy anniversary:</b> 100% of premiums returned</li> </ul>
<b>No-lapse guarantee</b>	If the policyholder pays the no-lapse-guarantee premium set at issue, coverage is guaranteed to age 121.
<b>Underwriting issue classes</b>	Preferred, Standard, Table Ratings A-H; Male, Female; Tobacco, Non-Tobacco
<b>Impact to base life insurance policy</b>	<b>While monthly chronic illness benefits are being paid:</b> <ol style="list-style-type: none"> <li>1. Life insurance death benefit and surrender value are reduced</li> <li>2. A portion of the chronic illness benefit may be applied to any outstanding loans, if applicable</li> <li>3. No loans or partial surrenders</li> <li>4. The accumulation value is moved to the Fixed Account</li> </ol>
<b>Surrender charge</b>	Applies for the first 15 years after issue or face amount increase
<b>Premium mode</b>	Annual, semi-annual, quarterly and monthly
<b>Monthly benefit termination</b>	<b>Chronic illness benefits end upon:</b> <ul style="list-style-type: none"> <li>• Depletion of dedicated CI benefit face amount</li> <li>• Insured’s death</li> <li>• Policy surrender</li> <li>• Failure to meet eligibility requirements</li> <li>• Indebtedness exceeding accumulation value</li> <li>• Receipt of policyowner’s written cancellation</li> </ul>

<sup>11</sup> Confinement due to medical condition is required to be permanent in Connecticut.

<sup>12</sup> Only available at given premium refund anniversaries extending 60 days beyond each premium refund anniversary. The premium refund may not equal the sum of premiums paid. Currently, the premium refund cannot exceed 85% of the policy face amount. Insurance coverage terminates if the premium refund is exercised.

# SecureCare

Available in all states except California, Florida, Hawaii, Indiana and New York

## Why SecureCare?

- Three guarantees:
  - 1) Indemnity-style long-term care (LTC) benefits for up to 7 years; 2) Death benefit; 3) Return of premium
- Optional inflation protection
- Benefits for informal care and care outside the U.S.
- Home modification and caregiver training benefits available before end of elimination period

<b>Policy type</b>	Universal life with indemnity style long-term care (7702B) benefits		
<b>Issue ages</b>	40-75		
<b>Minimum face amount</b>	\$50,000		
<b>Death benefit option and test</b>	Level; CVAT		
<b>Underwriting classes</b>	Simplified Issue, Sex Distinct: Non-tobacco Single, Non-tobacco Couples, Tobacco Single, Tobacco Couples Couple's discount <sup>13</sup> available through a special underwriting class; only one need apply to receive it		
<b>Premium payment options</b>	Single pay (direct, EFT or 1035 exchange)		
<b>Agreements available</b>	Extension of Long-Term Care Benefits Agreement, Long-Term Care Inflation Protection Agreement		
<b>LTC benefit period options</b>	<b>Base (embedded within the contract)</b>	<b>Extension (optional)</b>	
	<b>Acceleration period options:</b> 2 or 3 years	<b>Extension of long-term care benefit period options:</b> 2 or 4 years	
	Acceleration and Extension combinations can result in a total guaranteed benefit period of 2 to 7 years. This coverage period could be even longer if insured chooses to receive less than the maximum monthly/annual benefit. <sup>14</sup>		
<b>Benefit eligibility</b>	(1) Certified as a chronically ill individual <sup>10</sup> (2) Insured is receiving qualified LTC services covered under this policy (3) Plan of care submitted to us (4) Elimination period satisfied (5) Policy is in force		
<b>Optional Long-Term Care Inflation Protection Agreement</b>	Increases monthly LTC benefit at a set percentage annually; options include 3% simple interest, 5% simple interest, 3% compound or 5% compound interest		
<b>Guaranteed minimum death benefit</b>	10% of the base face amount or \$10,000, whichever is less		
<b>Elimination period</b>	0 Days for home modification and caregiver training; 90 calendar days for all other benefits		
<b>Qualified/covered benefits</b>	<ul style="list-style-type: none"> <li>• Adult daycare</li> <li>• Assisted living</li> <li>• Bed reservation</li> <li>• Benefits outside the U.S.<sup>15</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Caregiver training<sup>16</sup></li> <li>• Home health care</li> <li>• Home modification<sup>17</sup></li> <li>• Nursing home care</li> </ul>	<ul style="list-style-type: none"> <li>• Household services</li> <li>• Hospice</li> <li>• Informal care</li> <li>• Respite care</li> </ul>
<b>Return of premium value</b>	Equal to: (1) single premium paid minus the cumulative amount of any partial surrenders, multiplied by (2) the return of premium vesting schedule percentage shown below:		
	<b>Six-year vesting schedule</b>		
	<b>Year 1:</b> 80%	<b>Year 2:</b> 84%	<b>Year 3:</b> 88%
			<b>Year 4:</b> 92%
			<b>Year 5:</b> 96%
			<b>Year 6+:</b> 100%

<sup>13</sup> Please refer to the financial professional guide and/or application for more details.

<sup>14</sup> The owner does not have the option to take less than the maximum monthly/annual benefit if they have the Long-Term Care Inflation Protection Agreement.

<sup>15</sup> Benefits outside the United States, its territories or possessions allow the insured to receive 50% of his/her maximum monthly benefit. The insured must be certified as being chronically ill by a U.S. licensed health care professional, all medical records are received in English, and the insured must receive care in a facility. If the insured returns to the United States, the non-United States monthly benefit limit will no longer apply.

<sup>16</sup> The caregiver training benefit can be used to pay for training of a friend or family member to provide care to the insured. This benefit can be triggered prior to the elimination period. The maximum benefit is \$1,000.

<sup>17</sup> 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 the elimination period. The maximum benefit is \$5,000.



Whether your clients **NEED PROTECTION** for long-term care, chronic illness, or terminal illness, Securian has them covered. Learn more about our product suite and which life insurance product may be right for your client.

**Call Securian's Life Sales Support Team today:**

- **1-877-696-6654** (Securian and Broker-Dealer)
- **1-888-413-7860, Option 1** (Independent Brokerage)

## WE ARE **SECURIAN**

You may not have heard of us. Boasting is not our strong suit. But we are one of the nation's largest and strongest financial services providers.<sup>18</sup> Securian provides retirement solutions, investments and insurance through our subsidiaries, including Minnesota Life. Minnesota Life issues our life insurance policies<sup>19</sup> and has been a presence in the industry for more than a century.<sup>20</sup>

**For more information about our company and ratings, visit [securian.com/ratings](https://www.securian.com/ratings).**

<sup>18</sup> As rated by the four primary financial ratings organizations: A.M. Best, Fitch Ratings, Moody's Investors Service, and Standard and Poor. Ratings assigned to the insurance affiliates of Securian Financial Group, Inc. – Minnesota Life Insurance Company and Securian Life Insurance Company.

<sup>19</sup> In all states except New York. In New York, products are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

<sup>20</sup> Securian Financial Group, and its affiliates, was originally established in 1880.

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

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

Life insurance products contain fees, such as mortality and expense charges (which may increase over time), and may contain restrictions, such as surrender periods.

Additional agreements may be available. 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.

Policy loans and withdrawals may create an adverse tax result in the event of lapse or policy surrender, and will reduce both the surrender value and death benefit. Clients should consult their tax advisor when considering taking a policy loan.

Due to uncertainty in the tax law, long term care or chronic illness benefits paid from a life insurance contract may be taxable. Please ensure that your clients consult a tax advisor regarding long term care or chronic illness care benefit payments from a life insurance contract.

The Accelerated Death Benefit for Chronic Illness Agreement, Chronic Illness Access Agreement and CareShield Universal Life may not cover all of the costs associated with chronic or terminal illness. These products are generally not subject to health insurance requirements, and do not provide long-term care insurance subject to state long-term care insurance law. These products are not state-approved Partnerships for Long Term Care Program products, and are not Medicare Supplement policies. Receipt of chronic or terminal illness benefit payments under these products may adversely affect eligibility for Medicaid or other government benefits or entitlements.

SecureCare is a single premium universal life policy with tax qualified long-term care benefits that cover care such as nursing care, home and community based care, and informal care as defined in this policy. This policy provides for the payment of a monthly benefit for qualified long-term care services. This policy also provides an accelerated death benefit for terminal illness. This policy is intended to provide tax qualified long-term care insurance benefits under Section 7702B and tax-free accelerated death benefits for terminal illness under Section 101(g) of the Internal Revenue Code, as amended. However, due to uncertainty in the tax law, benefits paid under this policy may be taxable. Please ensure that your clients 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.

These materials are for informational and educational purposes only and are not designed, or intended, to be applicable to any person's individual circumstances. It should not be considered investment advice, nor does it constitute a recommendation that anyone engage in (or refrain from) a particular course of action. Securian Financial Group, and its affiliates, have a financial interest in the sale of their products.



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## JUST THE FACTS



# Chronic Illness Agreement

**Our Accelerated Death Benefit for Chronic Illness Agreement (CIA), available on select life insurance policies, offers unique benefits for clients who need life insurance and desire assistance with expenses while chronically ill. By understanding how the CIA works, you can help educate your clients about their insurance options.**

## ? How the CIA works

1. Determine the life insurance face amount and add the CIA to the policy.
2. Policyowner chooses the chronic illness benefits:
  - 10%-100% of the life insurance face amount to provide chronic illness benefits (not to exceed \$5 million).
  - Maximum monthly CIA benefit (2% or 4%) of the dedicated face amount.
3. Policyowner pays the life insurance premiums. CIA charges are deducted from the accumulation value (along with other charges).
4. Qualify to receive chronic illness benefits:<sup>1</sup>
  - The policyowner is eligible for CIA benefits upon the insured's being certified as a **chronically ill individual** and satisfying the elimination period.<sup>2</sup>
  - CIA charges are waived.<sup>3</sup>
  - Policy will not lapse while on claim.
5. Monthly CIA benefits paid:
  - Policyowner determines payment up to the maximum monthly CIA benefit selected or the **IRS per diem amount**. The remainder stays in the policy.
  - Life insurance policy benefits (accumulation value and face amount) are reduced proportionately, dollar-for-dollar, based on the monthly CI benefits paid. This percentage is calculated each payment.
  - If a loan exists, a portion of the monthly CIA benefit will be used to pay down the balance of the loan.

## GLOSSARY

### Chronically ill individual<sup>4</sup>

The individual has been certified by a licensed health care practitioner within the preceding twelve-month period as: 1. Being unable to perform, without substantial assistance from another person, at least two activities of daily living due to a loss of functional capacity for a period of at least 90 days; or 2. Requiring substantial supervision to protect the insured from threats to health and safety due to severe cognitive impairment.

### NY definition of chronically ill individual

An insured who has been certified by a licensed health care practitioner as: 1. Being unable to perform, without substantial assistance from another person, at least two activities of daily living due to a loss of functional capacity for at least 90 days; or 2. Requiring substantial supervision to protect the person from threats to health and safety due to severe cognitive impairment.

6. Monthly chronic illness benefits end upon:

- Depletion of the dedicated CI death benefit amount.
- Insured's death.
- Policy surrender.
- Failure to meet eligibility requirements.

**IRS per diem amount**  
Determined by the IRS, this is the maximum amount of CIA benefits payable tax-free without reimbursable expenses. The 2016 IRS per diem amount is \$340 per day.

**If the insured goes off claim while CIA or death benefits remain:**

1. CIA charges will resume.
2. If the policy has little to no cash value, or the death benefit guarantee has lapsed, the owner may need to pay additional premiums in order to keep the policy in force.
3. At death, the remaining death benefit will be paid to the beneficiaries.

**Help your clients understand how the Chronic Illness Agreement works. Contact your Life Sales Support Team today:**

- **1-877-696-6654** (Securian and Broker-Dealer)
- **1-888-413-7860, Option 1** (Independent Brokerage)

<sup>1</sup> Eligibility for CIA benefits varies by state, including CT and NY which require the chronic illness to be permanent.

<sup>2</sup> In NY, the Elimination Period not applicable, however, the insured must require, and be receiving, continuous care specified in his or her plan of care for the remainder of the insured's life in his or her home or eligible facility.

<sup>3</sup> If the policy accumulation value goes to zero while chronic illness benefit payments are being made, all policy and agreement charges that would otherwise be assessed against the accumulation value will be waived.

<sup>4</sup> Confinement due to medical condition is required to be permanent in CT.

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

The Accelerated Death Benefit for Chronic Illness Agreement is a life insurance policy agreement that provides an option to accelerate the death benefit in the event that the insured becomes chronically ill.

The accumulation value, surrender value, loan value, and death proceeds payable will be reduced by a chronic illness benefit payment under this agreement.

The Accelerated Death Benefit Agreement for Chronic Illness Agreement may not cover all of the costs associated with chronic illness. The agreement 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 Agreement is not a state-approved Partnership for Long Term Care Program Agreement and is not a Medicare supplement policy. Receipt of Chronic Illness Benefit proceeds under this agreement may adversely affect eligibility for Medicaid or other government benefits or entitlements.

Life insurance products contain fees, such as mortality and expense charges (which may increase over time), and may contain restrictions, such as surrender periods.

Please keep in mind that the primary reason to purchase a life insurance product is the death benefit. Insurance policy guarantees are subject to the financial strength and claims-paying ability of the issuing insurance company.

Due to uncertainty in the tax law, chronic illness benefits paid from a life insurance contract may be taxable. Please ensure that your clients consult a tax advisor regarding chronic illness care benefit payments from a life insurance contract.

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Financial  
Professional

## Chronic Illness Agreement Highlights

The Chronic Illness Agreement (CIA), available on select life insurance policies, provides clients with an accelerated death benefit to pay for potential care or anything they choose if the insured is chronically ill.

<b>Issue ages</b>	20-80
<b>Maximum CIA face amount</b>	Amount selected at time of issue. 10%-100% of the life insurance base face amount (not to exceed \$5 million)
<b>Cost</b>	Flat rate per \$1,000 of face amount. Rate varies by age and underwriting class
<b>Maximum monthly CIA benefit<sup>1</sup></b>	The lesser of 2 or 4 percent of the CIA face amount or IRS per diem limit <sup>2</sup>
<b>Elimination period</b>	<b>All states except NY:</b> 90 calendar days <b>New York:</b> None
<b>Benefit payments</b>	<b>All states except NY:</b> Not paid during elimination period, not paid retroactively <b>New York:</b> Paid retroactively to the beginning of the insured's certification as being chronically ill
<b>Benefit eligibility</b>	<b>All states except NY:</b> (1) Certified as a chronically ill individual* (2) Elimination period satisfied <b>New York:</b> (1) Certified as a chronically ill individual** and requires continuous care for the remainder of the insured's life in his or her home or eligible facility; (2) Receiving services which are specified in the plan of care and expected to remain so for the remainder of his or her life; (3) Proof of loss includes expenses incurred and a plan of care
<b>Underwriting issue classes</b>	Preferred, Standard Plus, Standard
<b>Impact to base life insurance policy</b>	<b>While monthly CIA benefits are being paid:</b> 1. Life insurance death benefit and surrender value are reduced 2. A portion of the CIA benefit may be applied to any outstanding loans, if applicable 3. No loans or partial surrenders (not applicable in NY) 4. The accumulation value is moved to the Fixed Account
<b>Monthly benefit termination</b>	<b>Chronic illness benefits end upon:</b> • Depletion of dedicated CI death benefit amount • Insured's death • Policy surrender • Failure to meet eligibility requirements

### Chronically Ill Individual:

\*Insured has been certified by a licensed health care practitioner within the preceding 12-month period as: (1) being unable to perform, without substantial assistance, at least two Activities of Daily Living due to loss of functional capacity (activities that include eating, bathing, toileting, continence, dressing and transferring) for period of at least 90 days<sup>3</sup> or (2) requiring substantial supervision to protect the insured from threats to health and safety due to severe cognitive impairment. (Confinement due to medical condition is required to be permanent in CT.)

\*\*Insured has been certified by a licensed health care practitioner as: (1) being unable to perform, without substantial assistance from another person, at least two Activities of Daily Living due to a loss of functional capacity for at least 90 days; or (2) requiring substantial supervision to protect the person from threats to health and safety due to a severe cognitive impairment.

<sup>1</sup> The accumulation value, surrender value, loan value, and death benefit will be reduced by a chronic illness benefit payment under this agreement.

<sup>2</sup> 2016 IRS limits: \$10,200/month or \$124,100/year based on \$340/day. Limits are subject to change.

<sup>3</sup> The expected 90-day period for loss of functional capacity does not establish a waiting period beyond the elimination period before benefits become payable under the agreement.

Additional agreements may be available. 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.

The Accelerated Death Benefit for Chronic Illness Agreement is a life insurance policy agreement that provides an option to accelerate the death benefit in the event the insured becomes chronically ill.

The Accelerated Death Benefit for Chronic Illness Agreement may not cover all of the costs associated with chronic illness. The Agreement 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 Agreement is not a state-approved Partnership for Long Term Care Program Agreement, and is not a Medicare supplement policy. Receipt of Chronic Illness Benefit payments under this agreement may adversely affect eligibility for Medicaid or other government benefits or entitlements.

Due to uncertainty in the tax law, chronic illness benefits paid from a life insurance contract may be taxable. Please ensure that your clients consult a tax advisor regarding chronic illness care benefit payments from a life insurance contract.

Life insurance products contain fees, such as mortality and expense charges (which may increase over time), and may contain restrictions, such as surrender periods. Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

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**Securian Financial Group, Inc.**

[www.securian.com](http://www.securian.com)

Insurance products are issued by Minnesota Life Insurance Company in all states except New York. In New York, products are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues. 400 Robert Street North, St. Paul, MN 55101-2098

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