



# Linked-benefit long-term care plans: What sets Nationwide CareMatters® II apart?

Your clients and their families all have different needs. That's why a customizable long-term care policy may be an appealing option for them. With Nationwide CareMatters® II, you can help them build a plan that fits into their strategy for financing long-term care costs. No matter what, one thing many people tell us is that they want to be able to choose where and from whom they receive care.

## Cash indemnity LTC benefits

- The entire monthly LTC benefit is paid directly to the policyowner each month
- Nationwide places no restrictions on how LTC benefits are used; they can be used for any care needs
- Informal caregivers, including family members and friends, can be paid<sup>1</sup>
- There's no need to submit bills and receipts to the insurer for approval<sup>2</sup>

## Flexible payment schedules

- There are familiar single-, five- and ten-pay options
- Clients can also pay to age 65 or even to age 100<sup>3</sup>
- Flexible 1035 and lump-sum options can be combined with other schedules

## Innovative inflation protection options

- There are fixed-rate inflation options
- There's an option to track the cost of health care as measured by the Bureau of Labor Statistics<sup>4</sup>

## Control over assets

There is some concern in the market about rising premiums and the "use it or lose it" risk of traditional stand-alone LTC policies. With Nationwide CareMatters II, premiums are guaranteed never to increase. And clients are offered a level of comfort knowing that they'll recover at least the cost of their premium in one of the following ways:

- LTC benefits
- A death benefit
- A combination of LTC benefits and a death benefit
- Refund of premium options

## Choice of service

Clients can use their Nationwide CareMatters II policy to pay for the LTC services that fit their needs. Nationwide places no restrictions on how LTC benefits are used.

### Your clients may be able to use their benefits for:

- Home health care
- Assisted living
- Nursing home care
- Hospice
- Adult day care
- Informal care — they can pay an unlicensed family member or friend to care for them
- State-certified alternative-style LTC services
- State-certified LTC coverage options developed in the future

Please be sure to review the important disclosures about CareMatters found at the end of this document.

<sup>1</sup> A licensed health care practitioner must state that informal care (which is provided by family members or friends) is appropriate in the plan of care. Clients should talk to their tax professional about potential tax implications.

<sup>2</sup> Receipts may be required to establish a claim but are not required month to month.

<sup>3</sup> Restrictions on issue ages apply.

<sup>4</sup> The Medical Care Component of the Consumer Price Index for All Urban Consumers, Unadjusted ("the Index") is maintained by the U.S. Bureau of Labor Statistics. The actual rate of inflation in long-term care costs may be different than the experience of the Index.

Use this chart to compare the features of various linked-benefit long-term care products in the marketplace today.

	Nationwide CareMatters II	Competitor A	Competitor B	Competitor C	Competitor D
Benefit type	Cash indemnity	Cash indemnity	Reimbursement	Optional	Reimbursement
<p><b>Competitor C:</b> The client can choose reimbursement or indemnity at the time of the initial claim (irrevocable). Indemnity payments will be the illustrated reimbursement payment reduced by a discount factor.</p>					
Minimum face amount	\$60,000	\$50,000	\$50,000	\$60,000	\$50,000
Issue ages	30 to 70	40 to 75	30 to 70	30 to 75	35 to 80
Inflation options	3% Simple 3% Compound 5% Compound U.S. Medical Care	3% Simple 3% Compound 5% Simple 5% Compound	3% Compound 5% Compound	3% Simple 5% Simple 5% Compound	3% or 5% compound for 20 years or a lifetime
<p>Only <b>Nationwide</b> offers an inflation protection option tied to increases in the cost of health care.</p>		<p><b>Competitor D:</b> With the Single Premium Drop-In Rider, clients may make up to two additional premium drop-ins within 6 months of policy issue (available only on Recurring Premium Whole Life).</p>			
Premium options	Single-pay 5-pay 10-pay Pay to age 65 Pay to age 100 (all multipay options may be paid annually or monthly)	Single-pay 5-pay 7-pay 10-pay 15-pay	Single-pay or flexible premiums (available to be paid up to the greater of 10 years or to age 70; issue age could be lower for higher issue ages)	Product 1: 1-, 5- or 10-pay Product 2: 1-, 5-, 10-, 15- or 20-pay	Single premium whole life or recurring premium whole life: 5-pay, 10-pay, 20-pay or pay to age 95
LTC benefit coverage duration	2 to 7 years (Acceleration of Death Benefit: 2 years; Extension of Benefit: 1 to 5 years)	2 to 7 years (Acceleration for LTC: 2 or 3 years; Extension of Benefit: 2 or 4 years)	LTC Benefit Rider 3 to 7 years	2 to 8 years (Acceleration of Benefit Rider: 2 years; Extension of Benefit Rider: 1 to 6 years)	Accelerated Death Benefit Period 2% (50 months) 3% (33 months) 4% (25 months)
<p><b>Competitor D:</b> With the Continuation of Benefits Rider, once the base policy benefits have been exhausted, the rider kicks in for the length of time the client chooses. Two choices of extended benefit are available: limited or lifetime.</p>					
Guaranteed reduced paid-up benefit (in the event that premiums stop)	Yes	Yes	No, the policy will be subject to the terms and conditions of the nonforfeiture.	Yes, the benefit is locked in at 70% for the remainder of the contract.	Yes
Premium flexibility	Yes	No	Yes	No	Yes
<p>The carrier accepts lump-sum payments and 1035 exchanges that can differ from the recurring premium amount.</p>					
Separately identifiable premiums	Yes	Yes	No	Yes	Yes
<p>LTC and life insurance premiums are broken out, creating potential opportunities to pay for LTC using tax-advantaged dollars.</p>					
Elimination period	90 calendar days	0 days for home modification and caregiver training; 90 calendar days for all other benefits	0 days	Reimbursement: 90 calendar days for facility care; 0 days for home health care and adult day care Indemnity: 90 calendar days for all levels of care	0 days for home health care and 90 days for facility care within a window of 270 calendar days
<p><b>Nationwide:</b> upon completion, benefits for the first 90 days will be paid retroactively along with benefits for month four.</p>					
Residual death benefit	20% of the specified amount	10% of the base specified amount, up to \$10,000	5% of the base specified amount, up to \$10,000	5% of the base specified amount, up to \$5,000	Not available
<p><b>Nationwide</b> has the highest residual death benefit.</p>					

Note: All information presented is reliable as of Sept. 1, 2020. Nationwide has made every effort to make sure it is reliable. However, as information provided on competitors can change at any time without notice, it is possible that there are differences between the products compared which are not reflected and/or of which we are unaware. For this reason, its completeness and accuracy cannot be guaranteed.

	Nationwide CareMatters II	Competitor A	Competitor B	Competitor C	Competitor D
Refund of premium	<ul style="list-style-type: none"> <li>Minimum Refund of Premium with Maximum LTC Benefit</li> <li>Vested</li> <li>Step-up</li> </ul>	Yes, subject to the vesting schedule below: Year 1: 80% Year 2: 84% Year 3: 88% Year 4: 92% Year 5: 96% Years 6+: 100%	<ul style="list-style-type: none"> <li>Basic: 70% ROP in all years</li> <li>Vested: 100% after 10 years Year 1 – 70% (grading up by 3% each year)</li> </ul>	<ul style="list-style-type: none"> <li>Product 1: single premium with 100% ROP</li> <li>Product 2: single premium with vested ROP</li> <li>Product 3: 5- or 10-pay with 100% ROP</li> <li>Product 4: 5-, 10-, 15- or 20-pay with vested ROP</li> </ul>	Yes, 100% ROP is available on the base policy, acceleration of benefits premium, and continuation of benefits premium; however, any premium paid for Inflation Protection does not apply.
Underwriting	Telephone and attending physician's statement (APS), if needed	Telephone and APS, if needed	No labs or APS	APS for age 50+ (and below 50 for cause)	Certain ages or premiums may require full underwriting.
Unlicensed informal caregiver	Yes	Yes	Limited to \$100 per day for a total of 180 days during the first 12 months in which benefits for covered services are paid	Only if the Indemnity option is selected at the time of the claim	No
<p><b>Competitor B:</b> To qualify, the insured must receive home health care services and/or adult day care services for at least two days in any week; coverage is not available if other covered services are received on that day. Insured's spouse cannot provide care.</p>					
Family care	Yes, the policyowner can pay a family member directly to provide care as prescribed.	Yes, the policyowner can pay a family member directly to provide care as prescribed.	No	Reimbursement: No Indemnity: Yes for home health care or community care	No
Caregiver training	Nationwide places no restrictions on how benefits are used.	Up to \$1,000 is available prior to satisfying the elimination period.	Up to \$500	Yes	Up to 2 times the maximum monthly benefit
Home modifications	Nationwide places no restrictions on how benefits are used.	Up to \$5,000 is available prior to satisfying the elimination period and at the discretion of the claimant thereafter.	Yes, as approved under the Noncontinual Services; the amount available in any calendar year cannot exceed the current maximum monthly LTC Benefit.	Reimbursements for home modification, durable medical equipment and caregiver training are subject to lifetime maximum amounts.	Up to 2 times the maximum monthly benefit amount
International benefits	100% of the maximum monthly benefit while accelerating the LTC Rider (including inflation) No international benefits under the Extension of Benefits Rider	50% of the maximum monthly benefit — available on the initial benefit period and the Extension of Benefits period	100% of the maximum monthly benefit is available; it applies only to care received in a nursing home or an assisted living facility and is limited to 36 months' worth of claims.	Reimbursement option: No Indemnity option: Yes; it's available only on the Accelerated Benefits Rider (nursing home only; monthly bills must be submitted every 90 days)	Facility care only, and it will not pay the Continuation of Benefits Rider for international claims
Terminal illness benefit	Equal to the lesser of 50% of the face amount or \$250,000	Equal to the face amount minus the terminal illness residual face amount (\$12,000 for a 2-year acceleration, \$18,000 for a 3-year acceleration)	One-time payment of 25% to 75% of the face amount, not to exceed \$250,000; if a terminal illness benefit is requested, the LTC rider will terminate	One-time payment of up to 75% of the face amount, not to exceed \$250,000	None
Support care services	Education, provider search, family network via third-party partner	Unknown	Education, provider search, family network via third-party partner Reimbursement claim support	Concierge care coordinated services	Reimbursement claim support

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**To learn more about the benefits of Nationwide CareMatters II,  
please visit [NationwideFinancial.com/CareMatters](http://NationwideFinancial.com/CareMatters) or call us at:**



Life Insurance Solutions Center .....1-800-321-6064  
Nationwide Financial Network® Solutions Center.....1-877-223-0795  
Brokerage General Agents Solutions Center .....1-888-767-7373

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**Nationwide®**  
is on your side

Nationwide CareMatters II is not intended to be a primary source of life insurance protection, so make sure life insurance needs are covered by appropriate products. Be sure to choose a product that meets long-term life insurance needs, especially if personal situations change — for example, marriage, birth of a child or job promotion. Weigh the costs of the policy, and understand that life insurance, and long-term care coverage linked to life insurance, has fees and charges that vary with sex, health, age and tobacco use. Riders that customize a policy to fit individual needs usually carry an additional charge.

Nationwide CareMatters II is a cash indemnity product that pays LTC benefits when the insured person is certified to have a qualifying condition and a need for LTC services. Bills and receipts showing actual expenses do not have to be submitted for payment of benefits once a claim has been approved. Each year, the policyowner can receive, tax free, the greater of the HIPAA per diem amount or actual LTC costs incurred. However, benefits may be taxable under certain circumstances. Taxpayers should consult with their tax and legal advisors about their specific situation.

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

The Medical Care Component of the Consumer Price Index for All Urban Consumers, Unadjusted (the "Index") is maintained by the U.S. Bureau of Labor Statistics. Nationwide's use of the Index is not sponsored, endorsed or promoted by the U.S. Bureau of Labor Statistics, the U.S. government or any of its agencies. Inclusion of the Index in an insurance product is not a recommendation by the U.S. government to buy such a product. Neither the U.S. government nor the U.S. Bureau of Labor Statistics guarantees the adequacy, accuracy, timeliness or completeness of Nationwide's use of the Index. The actual rate of inflation in long-term care costs may be different than the experience of the Index.

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

Nationwide CareMatters II may not be available in every state. Please contact Nationwide to determine product availability in your state.

All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company. Policy guarantees and benefits are not backed by the broker/dealer and/or insurance agency selling the policy, nor by any of their affiliates, and none of them makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Products are issued by Nationwide Life and Annuity Insurance Company, Columbus, Ohio.

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