



Long-Term Care

Why Coverage Matters

LIFE INSURANCE | INDEXED UNIVERSAL WITH LONG-TERM CARE PROVIDED BY RIDERS

Brighthouse SmartCare®

Brighthouse Life Insurance Company of NY



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Build for what's ahead®



56%

of the U.S. population turning age 65 today are expected to require long-term care¹

If that number surprises you, it may be because it's hard to envision needing long-term care (LTC). Let's take a look at what LTC insurance can provide.

Typical LTC insurance policies are designed to pay for medical and nonmedical expenses related to the everyday care of people living with a chronic illness, disability, or other conditions over an extended period. For coverage to begin, the insured must be unable to perform two of the six activities of daily living.



Activities of daily living

- Bathing
- Eating
- Contenance
- Toileting
- Dressing
- Transferring



What care services are typically covered by LTC insurance?

- Adult day care
- Hospice care facility
- Assisted living care
- Intermediate care
- Home health care
- Skilled nursing care

¹ Projections of Risk of Needing Long-Term Services and Supports at Ages 65 and Older. Urban Institute and U.S. Department of Health and Human Services, January 2021.

Paying for Care

As LTC costs continue to rise, it may be smart to consider the following when determining how to pay for care.

Medicare

Typically covers short-term medical or rehabilitative care after a medical event. It does not cover care costs on a long-term basis.

Medicaid

Covers long-term and personal care for physically and financially qualified individuals. If your assets exceed the government limit, they may need to be depleted before coverage begins. Program options and coverage vary, which may limit your options as a patient.

Self-Fund

Relying on personal assets and income to potentially cover LTC expenses could mean that retirement and estate plans need to change.

Family

Relying on family members for either financial help or assisting with home health care can result in stress on family relationships.

Traditional LTC Insurance

Covers long-term and personal care expenses in the case of an LTC event. If you never need care, you may never see the benefits of your paid premiums.



Talk to your financial professional about **hybrid life insurance and LTC** products like Brighthouse SmartCare®, which provides coverage for LTC expenses, a death benefit, and access to your cash value.³ Or visit brighthousefinancial.com.

2.8 years

The average length of an LTC event.²



\$298,000

The average lifetime cost of LTC expenses for people over age 65.²

² Projections of Risk of Needing Long-Term Services and Supports at Ages 65 and Older. Urban Institute and U.S. Department of Health and Human Services, January 2021.

³ Brighthouse SmartCare is an indexed universal life insurance policy with long-term care benefits provided by riders.

Brighthouse SmartCare is a life insurance policy that accelerates the death benefit for qualified long-term care services and is not a health insurance policy providing long-term care insurance subject to the minimum requirements of New York Law, does not qualify for the New York State Partnership for Long-Term Care Program, and is not a Medicare supplement policy.

Long-term care (LTC) benefits provided by riders to the policy are intended to provide qualified long-term care insurance under Internal Revenue Code Section 7702B(b). Although benefits paid under a rider are intended to be income tax free as accident and health benefits under a qualified long-term care insurance contract, benefits may be taxable in certain circumstances. For example, benefits may be taxable when the aggregate LTC benefits payments received under a rider and other policies or riders exceed the Internal Revenue Code section 7702B(d)(2) per diem limitation. You should consult with an attorney or qualified tax professional before purchasing Brighthouse SmartCare and when exercising any right to receive LTC benefits under any rider included with the policy. The policy's death benefit and policy values will be reduced as a result of any LTC ADBR payment.

All policy values will be reduced and any LTC rider will be terminated if an Accelerated Death Benefit Payment is made under the policy. Receipt of Accelerated Death Benefits may affect eligibility for public assistance programs and may be taxable. You should consult a tax professional to determine the current tax consequences before requesting any Accelerated Death Benefit Payment.

Any discussion of taxes is for general information purposes only, does not purport to be complete or cover every situation, and should not be construed as legal, tax, or accounting advice. Clients should confer with their qualified legal, tax, and accounting professionals as appropriate.

Brighthouse SmartCare® is an indexed universal life insurance policy with long-term care riders issued in New York only by, and product guarantees are solely the responsibility of, Brighthouse Life Insurance Company of NY, New York, NY 10017 ("Brighthouse Financial"). All guarantees, including any optional benefits, are subject to the claims-paying ability and financial strength of the issuing insurance company. The issuing insurance company is solely responsible for its own financial condition and contractual obligations. Brighthouse SmartCare has exclusions, limitations, reduction of benefits, and terms under which the policy may be continued in force or discontinued. For costs and complete details of the coverage, please contact your financial professional. May not be available in all states or firms.

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