

**LIFE  
INSURANCE**

Indexed Universal with  
Long-Term Care Provided by Riders



**Brighthouse**  
FINANCIAL®  
Build for what's ahead®

# Brighthouse SmartCare®

Long-Term Care: Why Coverage Matters





There's a **70%** chance that a person turning age 65 today in the U.S. will require long-term care services in their remaining years.<sup>1</sup>

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.



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### Activities of daily living

- Bathing
- Contenance
- Dressing
- Eating
- Toileting
- Transferring (e.g., moving in and out of a chair, bed, or wheelchair)



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### What care services are typically covered by LTC insurance?

- Adult day care
- Assisted living care
- Home health care
- Hospice care<sup>2</sup>
- Intermediate care
- Nursing home care<sup>3</sup>

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<sup>1</sup> A Guide to Long-Term Care for Seniors. SeniorLiving.org, April 3, 2024.

<sup>2</sup> Referred to as hospice care facility in New York.

<sup>3</sup> Referred to as skilled nursing care in New York.

# 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.

## Up to 4 years

The average length of an LTC event.<sup>3</sup>



## \$330,000

The average lifetime cost of health care expenses for a couple over age 65.<sup>4</sup>



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.<sup>5</sup> For more information, visit [brighthousefinancial.com](https://brighthousefinancial.com).

<sup>3</sup> A Guide to Long-Term Care for Seniors. SeniorLiving.org, April 3, 2024.

<sup>4</sup> Fidelity Investments Releases 2024 Retiree Health Care Cost Estimate as Americans Seek Clarity Around Medicare Selection. Fidelity, August 8, 2024.

<sup>5</sup> 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.**

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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.

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