

Case study



Meet Susan:
Married, female, age 60,
good health

Susan wants to prepare for retirement by planning ahead to fund long-term care expenses with a hybrid long-term care funding solution.

Susan’s advisor recommends that she purchase a \$100,000 single premium Lincoln *MoneyGuard* III policy. She elects a minimum of six years of long-term care benefits because her policy has a 6-year Long-Term Care Benefits Rider. If she needs care, she’ll have benefits worth much more than her premium payments.

Take the next step

Lincoln *MoneyGuard*® III

Help protect your assets from long-term care expenses with a solution that gives you options – Lincoln *MoneyGuard* III. Our hybrid long-term care funding solution* provides benefits to reimburse long-term care expenses and gives you a choice of premium payment options to fit your financial needs. Here’s how it works.

Benefits if she needs long-term care

A legacy if she doesn't

Return of premium options



Income tax-free reimbursements for qualified long-term care expenses¹

or



An income tax-free death benefit for her beneficiaries²

or



A choice of more long-term care benefits or more liquidity³

Return of premium options:	Total LTC benefit	Annual LTC benefit (for 6 yrs)	Monthly LTC benefit	Death benefit	Return of premium
Option 1 – Basic ⁴ (more LTC coverage)	\$472,708	\$78,785	\$6,565	\$170,700	\$70,000
Option 2 – Vested ⁵ (more liquidity)	\$393,924	\$65,654	\$5,471	\$142,250	\$100,000

Hypothetical example only. Benefit amounts will vary by client’s age and gender. Assumes no inflation protection purchased.

*The hybrid long-term care funding solution is a universal life insurance policy with a long-term care rider.

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

² Beneficiaries may receive an income tax-free death benefit under IRC Section 101(a)(1). The death benefit is reduced by loans, withdrawals, and benefits paid.

³ Through the Value Protection Endorsement available at issue. Once selected, the return of premium option choice cannot be changed. Endorsement contains complete terms and conditions. There may be tax implications when the return of premium feature is exercised. Please consult your tax advisor.

⁴ A return of 70% of paid premiums.

⁵ 100% return of premium is available after year 10.

Option 2 Vesting schedule⁵

Year 1: 70%	Year 7: 88%
Year 2: 73%	Year 8: 91%
Year 3: 76%	Year 9: 94%
Year 4: 79%	Year 10: 97%
Year 5: 82%	Year 11+: 100%
Year 6: 85%	



Discover how to add a hybrid long-term care funding solution to your retirement plan. Talk with your advisor today.

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Lincoln MoneyGuard® III is a universal life insurance policy with a Long-Term Care Benefits Rider (LTCBR) that accelerates the specified amount of death benefit to pay for covered long-term care expenses and continues long-term care benefit payments after the entire specified amount of death benefit has been paid. The return of premium options are offered through the Value Protection Endorsement (VPE) available at issue; Base option (1) and Graded option (2) are included in the policy cost. Any additional surrender benefit provided will be adjusted by any loans/loan interest/loan repayments, withdrawals taken, and claim payments made. The cost of riders will be deducted monthly from the policy cash value. The insurance policy and riders have limitations, exclusions and reductions. Long-term care benefit riders may not cover all costs associated with long-term care costs incurred by the insured during the coverage period. There is not a waiting period once the policyowner has qualified for benefits. We will not deny benefits for pre-existing conditions. This does not preclude us from exercising other remedies available at law, in equity or in contract because of misrepresentations. A pre-existing condition is a condition of the insured for which medical advice or treatment was discussed with, recommended by, or received from, any provider of health, psychological or other care services within 6 months preceding the issue date. The insurance policy and rider are subject to medical underwriting and approval. If your policy enters a grace period, we will allow 61 days to pay a premium sufficient to prevent your policy from lapsing. All contract provisions, including limitations and exclusions, should be carefully reviewed by the owner. For costs and complete coverage details, contact your agent or producer.

Issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, on Policy Form ICC19-MG890 with the following riders: Value Protection Endorsement (VPE) on form ICC19END-10534; Long-Term Care Benefits Rider (LTCBR) on form ICC19LTCBR-890.

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker-dealer and/or insurance agency selling the policy, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuer.

General exclusions and limitations

This rider will not provide benefits for: a. treatment for alcoholism or drug addiction (unless the drug addiction is a result of medication taken in doses as prescribed by a physician); b. treatment arising out of an attempt (while sane or insane) at suicide or an intentionally self-inflicted injury; c. treatment provided in a Veteran's Administration or government facility, unless the Insured or the Insured's estate is charged for the confinement or services or unless otherwise required by law; d. loss to the extent that benefits are payable under any of the following: 1. Medicare (including that which would have been payable but for the application of a deductible or a coinsurance amount). This means that this rider does not pay for the Insured's Medicare deductible or coinsurance; 2. other governmental programs (except Medicaid); 3. state or federal workers compensation laws; 4. employer's liability laws; 5. occupational disease laws; and 6. any motor vehicle no-fault laws; e. confinement or care received outside the United States, other than benefits for Nursing Home Care Services and Assisted Living Facility Services as described in the International Benefits provision; f. services provided by a facility or an agency that does not meet the definition for such facility or agency as described in the Covered Services provision of the Long-Term Benefits Rider (LTCBR); and services provided by a member of the Insured's or Owner's Immediate Family or for which no charge is normally made in the absence of insurance, unless: 1. the Immediate Family member is a regular employee of the service or care provider furnishing the service or care; 2. the service or care provider receives the payment for the service or care; and 3. the Immediate Family member receives no compensation other than the normal compensation for an employee in his or her job category.

Available in all states except: AZ, CT, DC, DE, FL, IN, MT, ND, NJ, SD and VI.

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

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