



Nationwide[®]
is on your side

Nationwide YourLife
CareMatters[®]

Client guide

Choice, control, flexibility –
they're all in your hands



Taking time to plan now can put you in control later

Many of us will need long-term care (LTC) at some point,¹ and the costs can be steep. Planning for the possibility of that care can be a challenge, though. There are many kinds of LTC coverage out there. What differentiates them? What care services will they pay for? What if care is never needed?

We designed Nationwide YourLife CareMatters® to be a flexible way to plan for the future. It's LTC coverage linked to a universal life insurance policy, so benefits are paid whether you need LTC or not. The cash indemnity LTC benefits can help you maintain choice, control and flexibility as your care needs unfold.

¹ "Long-Term Services and Supports for Older Americans: Risks and Financing," ASPE Research Brief, Assistant Secretary for Planning and Evaluation, Department of Health and Human Services (February 2016).



What's inside?

Facts about LTC	4
Many of us will need care as we age.	
.....	
LTC coverage options	6
Compare two common types of coverage: linked benefit and traditional stand-alone LTC policies.	
.....	
Why Nationwide YourLife CareMatters®?	9
It's designed for choice, control and flexibility.	
.....	
Nationwide YourLife CareMatters® in action	14
Take a look at how it works.	
.....	
Product details	16
Learn more about Nationwide YourLife CareMatters.	
.....	
Questions and answers	18
Get answers to common questions about Nationwide YourLife CareMatters.	
.....	
Starting the LTC conversation	20
Address common concerns about paying for LTC, and start conversations with loved ones.	

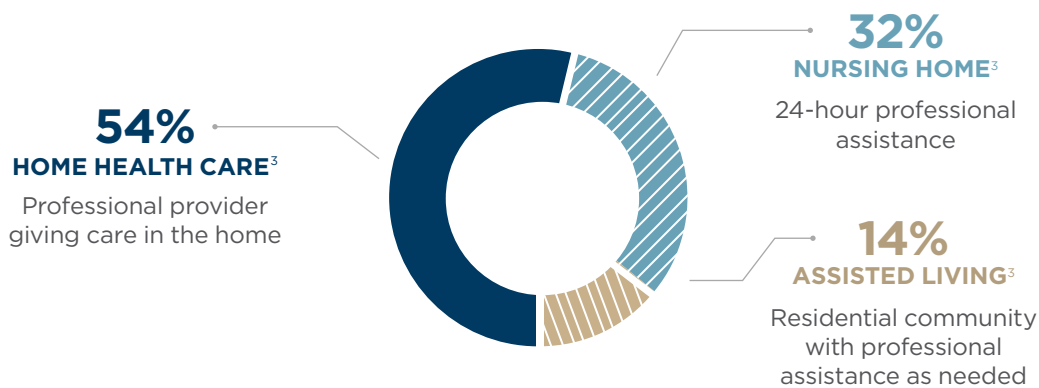
Be sure to choose a product that meets long-term life insurance needs, especially if personal situations change — for example, marriage, birth of a child or job promotion. Weigh the costs of the policy, and understand that life insurance has fees and charges that vary with sex, health, age and tobacco use. Riders that customize a policy to fit individual needs usually carry an additional charge. All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company.

Facts about LTC

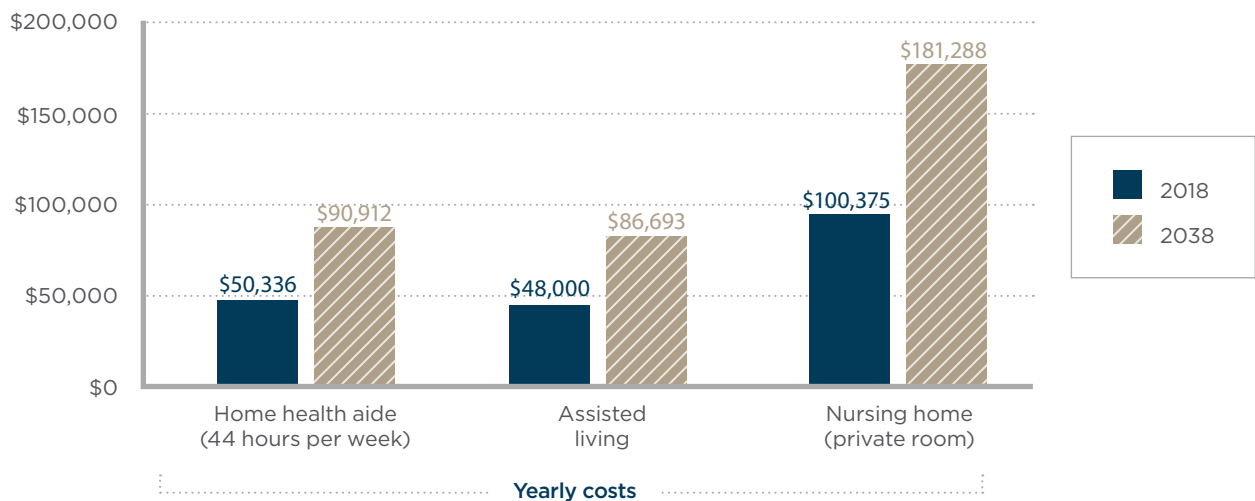
Many of us will need care as we age.



Many people equate LTC with nursing home care. In reality, more than half of all LTC claims paid were for care provided in the home.³



LTC is expensive, and the cost continues to grow.⁴




The average length of a claim that lasts more than a year is 3.9 years.⁵ If you need care, where will the money to pay for it come from?

² "How Much Care Will You Need?" U.S. Department of Health and Human Services, [longtermcare.acl.gov/the-basics/how-much-care-will-you-need.html](https://www.longtermcare.acl.gov/the-basics/how-much-care-will-you-need.html) (Oct. 10, 2017).

³ "Most Long Term Care Insurance Claims Begin and End At Home," American Association for Long-Term Care Insurance, www.aaltci.org/news/long-term-care-insurance-association-news/most-long-term-care-insurance-claims-begin-and-end-at-home (Feb. 23, 2017).

⁴ Genworth's "Cost of Care" tool (annual national median 2018 vs 2038), [genworth.com/aging-and-you/finances/cost-of-care.html](https://www.genworth.com/aging-and-you/finances/cost-of-care.html) (2018).

⁵ Long Term Care Statistics, LTC Tree, www.lctree.com/long-term-care-statistics (Aug. 15, 2016).

A photograph of a man and a woman in a winery. The man, on the left, is wearing a checkered shirt and glasses, holding a wine glass. The woman, on the right, is wearing a light-colored jacket and holding a wine glass. They are standing in a room with large wooden barrels and a large window in the background. A dark blue semi-transparent box is overlaid on the left side of the image, containing white text.

For more information on paying for LTC, including where Medicare, Medicaid and private health insurance come in, as well as conversation starters for you and your loved ones, turn to the *Starting the LTC conversation* section on Page 20.

LTC coverage options

Compare two common types of coverage: linked benefit and traditional stand-alone LTC policies.

Several types of LTC coverage are available in the marketplace. Two of the most common are linked benefit policies and stand-alone LTC insurance policies. Nationwide YourLife CareMatters is a linked benefit LTC insurance solution. To help you evaluate what kind of coverage could be the best fit for your needs, we'll look at some of the characteristics of and differences between the two.

Keep in mind that variations exist from product to product, and regardless of the type of policy you choose, it's important to select the level of coverage that's right for the care you think you'll need.

	What it is	Premiums	Death benefit
Linked benefit LTC insurance	LTC coverage is linked to a life insurance policy to help recover premiums if LTC benefits are partly or never used; base policies have cash value	Paid in a lump sum or over the course of several years (usually five to 10); premiums (the payments paid into the policy) are guaranteed not to increase	Beneficiaries receive a death benefit, even if the full LTC benefit is used
Stand-alone LTC insurance	A policy designed only for LTC coverage; similar to auto, home or health insurance, the policies have no cash value	Most policies require annual premiums until you need LTC; premiums (the payments paid into the policy) are subject to increase	No death benefit available

How benefits are paid: cash indemnity vs. reimbursement

LTC policies can pay benefits in a couple of ways:

1. The more common way is through **reimbursement**. Bills and receipts are submitted to the LTC insurance company, which then reimburses only for the amount of the insured's qualifying expenses, not to exceed the monthly LTC benefit.
2. With a **cash indemnity plan**, a check is mailed to the policyowner each month for the full amount of the monthly LTC benefit. The money can be used for individual care needs without restrictions from the insurance company. For example, you could use the money to pay expenses that are not typically associated with LTC, such as lawn maintenance or prescriptions not covered by other insurance.

When you need care	Overall LTC benefit	If you never need care
<p>With Nationwide YourLife CareMatters, payments are sent to the person who owns the policy; they can use that money for individualized care needs (no monthly bills or receipts are required to be submitted, which is characteristic of a cash indemnity plan)</p> <p>Most other products in the market use a reimbursement style — see <i>How benefits are paid, above, for more details</i></p>	<p>With Nationwide YourLife CareMatters, you know exactly how much LTC benefit is available; once you qualify for benefits, you'll receive the maximum available LTC benefit, or you have the option to adjust how much money you receive each month</p> <p>With reimbursement plans, you're reimbursed the lesser of your monthly benefit amount or the actual costs for care</p>	<p>With Nationwide YourLife CareMatters, beneficiaries receive a death benefit equal to or greater than the premiums paid into the policy, or the policy can be surrendered for a guaranteed full return of premium⁶; keep in mind that the death benefit and return of premium will be reduced if partial surrenders or loans are taken</p>
<p>Generally, only reimbursement policies are available</p>	<p>When you qualify for benefits, the policy will pay once a month based on two things: the daily benefit elected times the number of days in the month that care was provided and the chosen payment model</p>	<p>Generally speaking, premiums are not refundable; some products offer a return of premium feature, but it typically has a significant cost</p>

⁶ For single premium payments, the return of premium value is available starting day one, subject to a vesting schedule. There is a full return of all premium (minus any loans or withdrawals) starting in year six. Return of premium (minus any loans or withdrawals) is available on five- and 10-year payment schedules only after the end of the premium payment period and when all required premium has been paid.



Why Nationwide YourLife CareMatters[®]?

It's designed for choice, control and flexibility.

Nationwide YourLife CareMatters is a universal life insurance policy that provides long-term care coverage along with a death benefit. We'll explain all of the details and how it works, but here are three of the important ways it's different from other products out there:

-
- | | |
|-----------------------|--|
| 1. Choice | Your policy adapts to meet your needs: Choose a payment schedule that works for you and select from options that meet your needs |
| 2. Control | Your premiums are guaranteed to never increase, and Nationwide YourLife CareMatters offers a return of premium feature ⁷ |
| 3. Flexibility | Nationwide YourLife CareMatters was created to help cover today's qualified LTC services as well as those that will be developed in the future |
-

Here's a look at how Nationwide YourLife CareMatters was designed to offer you choice, control and flexibility as you prepare for the future.

⁷ For single premium payments, the return of premium value is available starting day one, subject to a vesting schedule. There is a full return of all premium (minus any loans or withdrawals) starting in year six. Return of premium (minus any loans or withdrawals) is available on five- and 10-year payment schedules only after the end of the premium payment period and when all required premium has been paid.

1. Choice

Choose the features that are right for you.

Nationwide YourLife CareMatters isn't a one-size-fits-all product. It's filled with customizable features to meet your needs.

Fine-tune your care to work for you

With Nationwide YourLife CareMatters, you have the ability to pick the type of care that works best for you. For example, if you wish to receive care at home, you can use your benefit to pay for a home health care worker, or you could choose to pay a friend or loved one to care for you if deemed appropriate in the plan of care prepared by your U.S.-licensed health care practitioner.

Keep in mind that there can be tax implications depending on whom you pay for care. Nationwide® and its representatives don't give tax or legal advice, so please consult with your tax or legal advisor for answers to your specific questions.

Select the payment schedule that works for you and your finances

- Pay one time (single-pay)
 - Pay annually or monthly for five years
 - Pay annually or monthly for 10 years
-

Protect yourself against rising LTC costs

You can add the optional Inflation Protection Rider to your Nationwide YourLife CareMatters policy (this rider is available for an additional cost).

*** For more specifics about Nationwide YourLife CareMatters, turn to the Product details section on Page 16.**

2. Control

We're putting the control in your hands.

We designed Nationwide YourLife CareMatters to help you take control of the many different facets of LTC. From guaranteed premiums to the way you pay for care expenses, you have choices and options at every step.

Premiums are guaranteed never to increase

Unlike many traditional LTC policies, premiums on this product are guaranteed; they will never increase.

Determine how you pay for care

After a claim is approved, Nationwide will send the policyowner the maximum monthly LTC benefit. Once the policyowner is receiving LTC benefits, monthly bills or receipts are not required to be submitted, and the LTC benefits can be used without restriction from Nationwide. Paying family members or self-employed caregivers can have tax implications, so please consult with your tax advisor.

If you never need care

A common concern with buying LTC coverage is the possibility that you'll never need care and your money will go to waste. Nationwide YourLife CareMatters is structured to ensure that the premiums paid into your policy are recovered, even if you never need care. If LTC benefits aren't needed, your beneficiaries will receive the policy's death benefit, which will be equal to or greater than the premiums you paid. And if some of your LTC benefits are needed, a death benefit, minus the benefits that were used, will pass to your loved ones.

Nationwide YourLife CareMatters offers a guaranteed return of all premium beginning the sixth policy year. The first five policy years are subject to a vesting schedule. Return of premium is available only when all planned premium is paid (minus any loans or withdrawals taken from the policy).⁸ For more information on return of premium, see the product details.

Leave a minimum death benefit even if you need care

Even if every dollar of the LTC benefits is used, the beneficiaries will still receive a 20% guaranteed minimum death benefit.

*** For more specifics about Nationwide YourLife CareMatters, turn to the Product details section on Page 16.**

⁸ For single premium payments, the return of premium value is available starting day one, subject to a vesting schedule. There is a full return of all premium (minus any loans or withdrawals) starting in year six. Return of premium (minus any loans or withdrawals) is available on five- and 10-year payment schedules only after the end of the premium payment period and when all required premium has been paid.

3. Flexibility

We offer different ways to help you take care

Because we don't know how our needs will change over the years, Nationwide YourLife CareMatters includes features that adapt to your individual needs and circumstances.

Choose the care that works for you

You can use your policy to pay for the LTC services that are right for your needs. Service and care options may include:

- Home health care
- Assisted living
- Adult day care
- Nursing home care
- Hospice
- Family care (receive care from people you already know and trust by paying a family member or friend to care for you)⁹
- Household services (cleaning person, yard maintenance)
- Home safety improvements (guardrails, ramps, disability accommodations, accessibility upgrades)
- Certified alternative-style LTC services
- State-certified LTC coverage options developed in the future

Put funds aside for later

If you don't need your full monthly benefit for care expenses, you have the flexibility to save that extra money for future LTC costs. And if you never need the saved money, you can leave it to family members or anyone else you choose.

Home sweet home

With Nationwide YourLife CareMatters, you can stay in the home you know and love by using your LTC benefit to make any needed safety and accessibility upgrades or to pay for caregivers to come to you. You can even use your benefit for a housekeeper or other things that help keep your life running normally.

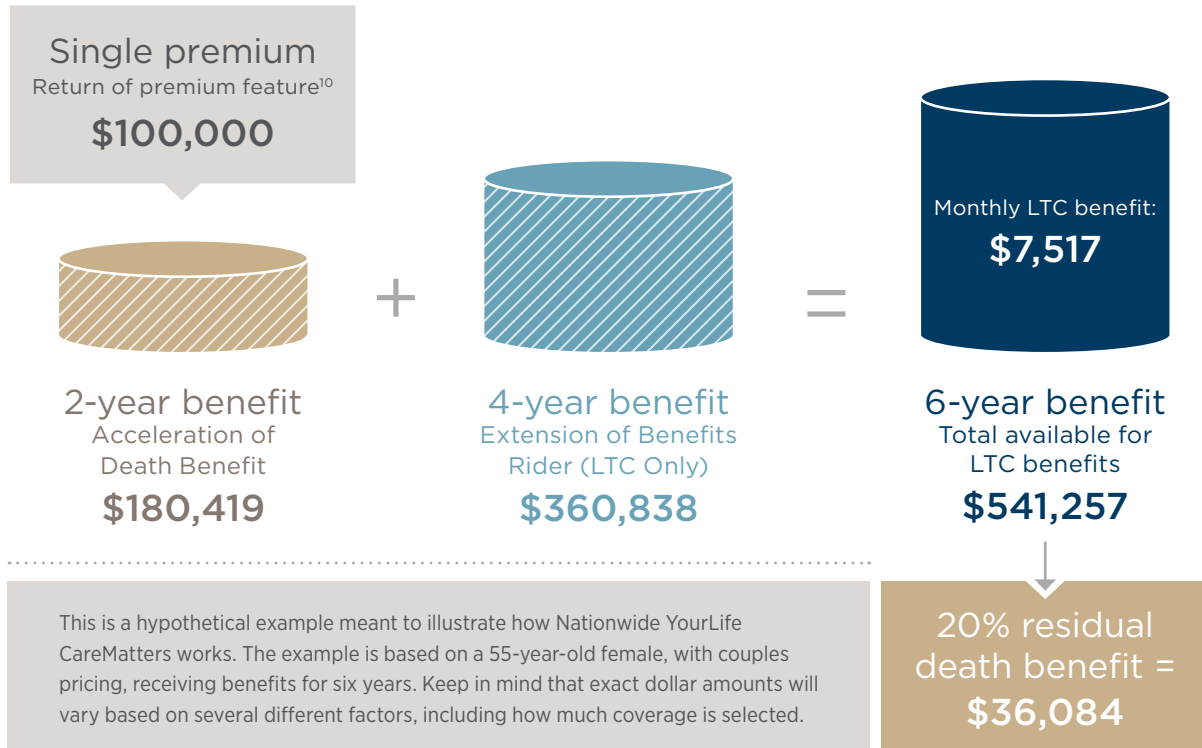
*** For more specifics about Nationwide YourLife CareMatters, turn to the Product details section on Page 16.**

⁹ The plan of care prepared by your U.S.-licensed health care practitioner should state that care from family or other informal caregivers is appropriate. Paying family members or friends can have tax implications, so please consult with your tax advisor.



Nationwide YourLife CareMatters[®] in action

Take a look at how it works.



Once the insured qualifies for LTC benefits, monthly tax-free payments will be sent directly to the policyowner to help pay for care. When you buy your Nationwide YourLife CareMatters policy, you choose how long to receive benefits, ranging from two to seven years.

In this example, repositioning \$100,000 to pay the premium on a Nationwide YourLife CareMatters policy provides \$541,257 available for LTC. The first \$180,419 paid as LTC benefits represents an acceleration of the death benefit, which means that as LTC benefits are paid, the death benefit is reduced. After the death benefit has been completely accelerated for long-term care, there is an additional \$360,838 available for long-term care. Note that this additional amount may be used only for LTC. Any remaining amount will not be paid upon death.

Even if all of the LTC benefits are collected, a guaranteed minimum death benefit of \$36,084 is paid to the beneficiaries.

If LTC is never needed:

- The beneficiaries will receive a death benefit of \$180,419 (minus any loans or withdrawals you may have taken from the policy)

OR

- The surrender value will be based on at least the return of premium value¹⁰

Please keep in mind that because everyone's LTC needs are different, Nationwide YourLife CareMatters isn't guaranteed to cover all of your LTC costs, but it can give you a significant amount of coverage for your premium.

¹⁰ For single premium payments, the return of premium value is available starting day one, subject to a vesting schedule. There is a full return of all premium (minus any loans or withdrawals) starting in year six. Return of premium (minus any loans or withdrawals) is available on five- and 10-year payment schedules only after the end of the premium payment period and when all required premium has been paid.



Product details

Learn more about Nationwide YourLife CareMatters.

Underlying policy	Fixed premium universal life with LTC benefits
Issue ages	<p>Ages 40 – 75 (age last birthday)</p> <p>Maximum issue ages:</p> <ul style="list-style-type: none"> • Single premium: Age 70 for all benefit periods • Five- or 10-year payment options: age 70 for six-year benefit period, age 75 for all other benefit periods
Premium payment options	<p>Pay one time (single-pay)</p> <p>Pay annually or monthly for five years</p> <p>Pay annually or monthly for 10 years</p>
Return of premium feature	<p>Return of premium is available when all planned premium is paid (minus any loans or withdrawals), subject to the vesting schedule below:</p> <p>Months 1 – 12: 85%</p> <p>Months 13 – 24: 88%</p> <p>Months 25 – 36: 91%</p> <p>Months 37 – 48: 94%</p> <p>Months 49 – 60: 97%</p> <p>Months 61+: 100%</p>
Monthly benefit payment	Cash indemnity

Benefit periods	Two years Three years Four years Five years Six years Seven years
Inflation protection Optional	3% simple 5% compound
Minimum death benefit	Even if all LTC benefits are used, beneficiaries will receive a death benefit that's equal to 20% of the original specified amount.
Care from a family member	Benefits can be used to pay a family member (or a friend, etc.) to provide care if deemed appropriate under the plan of care.
International benefits	Reduced benefits are available under certain conditions; for full details, see the product contract or talk with your insurance professional.

Product features — including benefits, exclusions, limitations, terms and definitions — may vary by state.

For more information about the details and features of Nationwide YourLife CareMatters, talk with your insurance professional.

Questions and answers

Get answers to common questions about Nationwide YourLife CareMatters.

Q: How do I qualify for LTC benefits?

A: To qualify for and begin receiving monthly LTC benefits, the following things have to happen:

1. A U.S.-licensed health care practitioner must certify that (a) you have a severe cognitive impairment or (b) you are unable to perform two or more activities of daily living: bathing, eating, continence, toileting, dressing or transferring (moving into or out of a bed, chair or wheelchair), and that this condition will last at least 90 days
2. A 90-calendar-day elimination (or waiting) period begins immediately after the date the insured is certified as chronically ill and starts receiving qualified LTC services; days of care or services don't need to be consecutive, though they do need to be accumulated within a continuous period of 730 days; no LTC benefits will be paid until the elimination period has been satisfied
3. You must also submit a plan of care as prescribed by a U.S.-licensed health care practitioner; the plan of care should state that care from unlicensed caregivers is appropriate if you intend to pay family members or friends for care

While you're receiving benefits, a U.S.-licensed health care practitioner will be asked to recertify your care needs at least once every 12 months.

Q: How long will benefits be paid?

A: As long as you qualify, you will receive LTC benefits until the Lifetime Total Maximum Amount of LTC Benefits (reduced for loans or partial withdrawals) has been paid. The Lifetime Total Maximum Amount of LTC Benefits is shown on the policy specifications pages.

If you choose to receive the maximum monthly LTC benefit each month, then LTC benefits will be paid for the LTC specified benefit period that you selected on the application.

You may choose to receive less than the maximum monthly LTC benefit. This will extend the time that benefits are paid beyond the LTC specified benefit period. However, taking the maximum monthly LTC benefit and setting aside what you don't immediately need for care to use later may result in more benefit dollars being paid from the policy.

Q: How long do I have to have the policy before I can begin receiving benefits?

A: Once your policy is in force and you qualify for benefits (see the "How do I qualify for LTC benefits?" question and answer in this section for details), you can begin receiving benefits.

Q: What if I use only some of my LTC benefits?

A: Your beneficiaries will receive either the remaining policy death benefit not used for LTC benefits or the minimum death benefit, whichever is greater.

Q: Can I pay my premiums in installments versus a lump sum?

A: Yes, in addition to the single-pay (lump-sum) option, you can choose to pay annually or monthly for five or 10 years.

Q: Is special pricing available if both my spouse and I buy a policy?

A: Married couples (and those in legally recognized domestic partnerships or civil unions) receive a special rate that results in a larger pool of LTC benefits. This rate is applied if one or both spouses purchase a policy.

Q: Can I pool benefits with my spouse or transfer benefits?

A: No, each spouse must purchase his or her own policy, and no benefits can be transferred.

Q: Are there situations that are not covered by Nationwide YourLife CareMatters?

A: It does not pay benefits for qualified long-term care services due to illnesses, treatments or medical conditions arising out of:

- Suicide, intentionally self-inflicted injuries or attempts at suicide
- Committing or attempting to commit a felony
- Alcoholism or drug addiction, unless addiction results from administration of drugs for treatment prescribed by a physician
- War or any act of war, whether declared or undeclared

Q: Are there any limits on the amount of Long-Term Care Extension of Benefits (LTCEB) Rider benefit I must take?

A: When on LTCEB Rider claim, you can request up to the maximum monthly LTCEB Rider benefit. If you elected the Inflation Protection Rider, you will receive the entire maximum monthly LTCEB Rider benefit and the maximum monthly Inflation Protection Rider benefit.

Q: Are there any limits as to how I can spend the monthly rider benefit payment I receive?

A: No, once you qualify for benefits, a cash indemnity payment (up to the maximum amount you qualify for) is sent monthly to the policyowner. Nationwide places no restrictions on how benefits can be used.

Q: How much of my LTC benefit will be tax free?

A: You can receive, tax free, the greater of:

- The HIPAA per diem amount for the given period you make a claim, or
- Actual LTC costs incurred

Tax rules applicable to long-term care products are complex, so please consult your tax advisor. Nationwide and its representatives do not give legal or tax advice.

Starting the LTC conversation

Address common concerns about paying for LTC, and start conversations with loved ones.

It can be difficult to talk about many of the things associated with aging, and paying for LTC costs is often at the top of that list. Here are a few things for you and your loved ones to consider and discuss.

Who pays for LTC? Will my medical insurance cover it?

As we've seen, LTC costs can quickly add up, and a common misconception is that Medicare or Medicaid will pay for all expenses. The truth is that you'll need to be able to cover much of the cost yourself in the form of either cash or private insurance.

	Medicare
Nursing home care	Days 0 - 20 — Pays in full if you're hospitalized for at least three consecutive days before entering a Medicare-approved skilled nursing facility. Days 21 - 100 — May pay for the difference between the total daily cost and a significant co-payment if you continue to need skilled nursing care. Days 100+ — Does not pay
Assisted living facility (and similar facility options)	Does not pay
Continuing care retirement community	Does not pay
Adult day services	Not covered
Home health care	Limited to reasonable, necessary part-time or intermittent skilled nursing care and home health aide services, and some therapies that are ordered by your doctor and provided by a Medicare-certified home health agency. Does not pay for ongoing personal care or custodial care needs (help with activities of daily living).

How will paying for LTC affect my family?

As you consider which LTC coverage option is the best fit for your needs, you can use these questions to get a conversation started with your loved ones:

- How would paying for LTC affect the financial security of your spouse?
- Would your adult children or other family members be able to quit working or cut back work hours to care for you if needed?
- Can your family afford to help you financially if paying for care depletes all of your funds?

Private Medigap insurance	Medicaid	You pay on your own*
Days 21 – 80 — May cover a significant co-payment if your nursing home stay meets all other Medicare requirements.	A single individual will not qualify for Medicaid in most states unless he or she has less than \$2,000 in countable assets. ¹¹	If you need only personal or supervisory care in a nursing home and/or have not had a prior hospital stay, or if you choose a nursing home that does not participate in Medicaid or is not Medicare certified. Also, if you need care beyond the 100 days Medicare is willing to pay.
Does not pay	In some states, may pay care-related costs, but not room and board.	You pay on your own except as noted under Medicaid, if eligible.
Does not pay	Does not pay	You pay on your own.
Not covered	Varies by state, financial and functional eligibility required.	You pay on your own except as noted under Medicaid, if eligible.
Not covered	Pays, but states have option to limit some services, such as therapy.	You pay on your own for personal or custodial care, except as noted under Medicaid, if eligible.

Source: "Paying for nursing home care," Medicare.gov (July 6, 2017).

* Varies by state.

¹¹ "2018 SSI and Spousal Impoverishment Standards," Centers for Medicare and Medicaid Services (Jan. 1, 2018).

Helping you take care

Taking time to make a plan now for your LTC needs can help you stay in control of your choices later. Talk with your insurance or investment professional today for more information on Nationwide YourLife CareMatters.

The insurance professional or company may contact you in response to your request for additional information.

For more information, visit us at nationwide.com/carematters.

Nationwide YourLife CareMatters 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. Policyowners should consult with their tax and legal advisors about their specific situation.

Long-term care benefits are paid as an advance payment of the Nationwide YourLife CareMatters policy's death benefit while the insured is still living. Accelerating the death benefit, along with loans and withdrawals, reduces both the death benefit and cash surrender value of the policy. Care should be taken to make sure that life insurance needs continue to be met even if the entire death benefit is accelerated or if money is taken from the policy.

Individual care needs and costs will vary, and there is no guarantee the policy will cover the entire cost of the insured's long-term care. Nationwide pays benefits to the policyowner. If the policy is owned by someone other than the insured, there is no guarantee the policyowner will use the benefits to pay for LTC services.

Product features — including benefits, exclusions, limitations, terms and definitions — may vary by 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.

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

A specimen contract is available to a prospective applicant upon request.





Nationwide®
is on your side

• Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution • Not insured by any federal government agency • May lose value

The information contained herein was prepared to support the promotion, marketing and/or sale of life insurance contracts, annuity contracts and/or other products and services provided by Nationwide Life and Annuity Insurance Company.

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

Nationwide, Nationwide is on your side, the Nationwide N and Eagle and Nationwide YourLife CareMatters are service marks of Nationwide Mutual Insurance Company. © 2017, 2018 Nationwide

LAM-1933CA.1 (12/18)