

BULLETIN

A Communication from
the Life Insurance Division



PACIFIC LIFE

Pacific Life Insurance Company

DATE: August 3, 2023

TO: Life Insurance Producers, Management, Office Administrators, and
Technical Staff

SUBJECT: Premier LTC Rider Contract Endorsement Clarifications

Category	
<input type="checkbox"/>	Administration
<input type="checkbox"/>	Compliance
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<input type="checkbox"/>	Miscellaneous

Premier LTC Rider Contract Endorsement Clarifications

Effective August 1, 2023, we have revised the Premier LTC Rider^{1,2} contract with an endorsement to clarify benefits offered to new and existing policyowners regarding family-member-provided care, international benefit eligibility, and overall rider benefit eligibility.

- **Family-Member Care** – Now, the contract no longer excludes care or services provided by the insured’s Immediate Family and it clearly stipulates that home health care can be provided by any skilled or unskilled individuals which can include a family member. Additionally, no other qualified services are needed in order for benefits to be paid for home health care by a family member as long as the care performed is a qualified long-term care service and is stated in the insured’s Plan of Care.
- **International Benefit** – Benefits are payable under this rider when the insured incurs qualified long-term care services outside the United States only if the initial and any annual renewal certifications are completed by a Licensed Health Care Practitioner in the United States. A Plan of Care can be completed remotely provided it is prescribed in the United States. The Insured is not required to return to the United States to be certified as being a Chronically Ill Individual. These benefits have always been payable under this rider, but these clarifications are now clearer and are keeping with current contract and administrative practices.
- **Streamlined Benefit Eligibility** – Written proof of a qualified long-term care service is still required at initial claim, but now no proof of expenses (bills, statements, receipts, or invoices) are no longer needed to receive rider benefits.

POLICYOWNER COMMUNICATION

Beginning August 9, 2023, policyowners will receive a letter informing them of these changes. This letter will include a policy endorsement that they should keep with their policy. See the [sample letter](#).

ADMINISTRATIVE NOTES

The endorsement is effective August 1, 2023 in all states except Montana.

Navigator illustration output will be available on Aug. 1, 2023 in all states except Montana (in which the endorsement is not yet approved). However, in California (the endorsement HAS BEEN approved) but the illustration output hasn't been updated to reflect these changes.

In California, you may download these documents for more information:

- [Outline of Coverage for use in CA that reflects the endorsement](#)
- [Specimen Contract with the Endorsement](#) that will be issued beginning on August 1, 2023 for CA riders

For more information, contact your Pacific Life representative.

1 Form series R15LTC, R15LTC SP, R15LTC NLGI SP, R16LTC, R16LTCV SP, R16LTCV NLGI SP, varies on product and state of policy issue. Rider benefit payments will reduce policy values, including death benefit, cash surrender value, and policy debt, and may adversely affect the benefits under other riders. This rider is intended to provide federally tax-qualified long-term care insurance as defined in IRC Section 7702B(b). The PLTC Rider benefits accelerate your policy's Death Benefit and will reduce any proceeds payable upon the insured's death or at time of surrender. Tax laws relating to accelerated death benefits are complex. Receipt of accelerated death benefits may affect eligibility for public assistance such as Medicaid. Clients are advised to consult with qualified and independent legal and tax advisors for more information. This rider is subject to eligibility and underwriting approval. The policy to which this rider is attached is subject to a medical exam, Medical Information Bureau (MIB), and prescription report; and may include obtaining records from your physician, a Personal History Interview, and a Cognitive Assessment. The amount and duration of the maximum LTC Benefits and the rider charge will vary based on the benefit options elected at time of application and the use of policy benefits and features. The rider charge is included as part of the monthly deduction for the policy. When considering a rider, request a policy illustration to see the rider's impact on policy values. Policy charges for this rider and other riders are deducted from the policy's accumulated value on a monthly basis. Policy lapse will only occur where the policy's cash value less policy debt is not sufficient to cover monthly policy charges, unless a no-lapse guarantee is in effect. Prior to lapse, the policy provides 61 days to pay premium sufficient to keep the policy in force. Rates for long-term care coverage under this rider may increase over time, but not above those stated in the policy.

2 Premier LTC Rider is available on certain cash value life insurance products.

Updated as of August 1, 2023: FOR QUALIFIED LTC SERVICES, THE PREMIER LTC RIDER EXCLUSIONS, EXCEPTIONS, AND LIMITATIONS: We will not pay benefits for any room and board, care, treatment, services, equipment, or other items for care or services: 1) that result from an attempt at suicide (while sane or insane) or an intentionally self-inflicted injury; 2) that result from alcoholism or drug addiction; 3) that result from participation in or attempting a felony, riot, or insurrection; 4) provided in a government facility (unless otherwise required by law); 5) for which benefits are available under Medicare (including amounts that would be reimbursable but for the application of a deductible or coinsurance amount) or other governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; 6) for preexisting conditions that are not disclosed in the application, if services begin with the first six months of policy issue; or 7) received while the rider is not in force.

Pacific Life is a product provider. It is not a fiduciary and therefore does not give advice or make recommendations regarding insurance or investment products.



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Pacific Life Insurance Company is licensed to issue insurance products in all states except New York. Product/material availability and features may vary by state.

Insurance products and their guarantees, including optional benefits and any crediting rates, are backed by the financial strength and claims-paying ability of the issuing insurance company. Look to the strength of the life insurance company with regard to such guarantees as these guarantees are not backed by the broker-dealer, insurance agency, or their affiliates from which products are purchased. Neither these entities nor their representatives make any representation or assurance regarding the claims-paying ability of the life insurance company.

This material reflects the Pacific Life Insurance Company policy features and benefits. All policy features and benefits may not be available through some Broker Dealers.

Pacific Life Insurance Company's Home Office is located in Newport Beach, CA.

Investment and Insurance Products: Not a Deposit	Not Insured by any Federal Government Agency	
Not FDIC Insured	No Bank Guarantee	May Lose Value

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