

# 7702 changes go into effect Nov. 1 for SecureCare UL

Effective November 1, 2021, the guaranteed interest rate on new SecureCare Universal Life (SecureCare UL) applications will be updated to comply with the Consolidated Appropriations Act of 2021, which lowers the interest rate assumptions used in Section 7702 of the Internal Revenue Code.

## How will these changes impact SecureCare UL benefits?

**Long-term care (LTC) benefits:** The new guaranteed interest rate will have no impact on the LTC benefit pool. Regardless of whether an applicant receives the old or new guaranteed interest rate, the amount of LTC coverage they receive will be the same.

**Death benefit:** The change to the guaranteed interest rate reduces the minimum required death benefit factors used in the Cash Value Accumulation Test (CVAT). While some plan designs are not affected by these changes, this can result in lower death benefit amounts for some SecureCare UL policies in the corridor:

- Generally, single-pay policies impacted by the 7702 changes will see a death benefit reduction immediately, while impacted multi-pay policies will see a reduction towards the end of the premium payment schedule.
- If a policy's death benefit amount is impacted by the 7702 changes, the difference between the old guaranteed interest rate's death benefit and new guaranteed interest rate's death benefit diminishes over time until they eventually match up.

**Cash surrender value:** Some policies may see a slight increase in the cash surrender value. However, some plan designs are not affected by the changes.

## Important Dates

**Friday, October 29, 2021** – Applications must be signed, in good order and received by Securian Financial before end of business on October 29, 2021 to be eligible for the old guaranteed interest rate. Applications received after October 29, 2021 will receive the new guaranteed interest rate

- Please note: given the extended turnaround times the LTC industry is experiencing as a whole, we are not able to guarantee that applications received by October 29 will have all of their requirements completed in time for the policy to be paid in 2021. Our service teams understand the importance of meeting this deadline and are operating at full capacity.

**Monday, November 1, 2021** – The new guaranteed interest rate will be available in the illustration software.

**Friday, December 31, 2021** – Policy issuance and funding deadline to receive the old guaranteed interest rate

- **Applications received no later than October 29, 2021** must be approved, issued and paid before January 1, 2022 per The Consolidated Appropriations Act. If the policy is not approved, issued and paid by December 31, 2021, the policy will be reissued with the new guaranteed interest rate. This is a regulatory requirement, and NO EXCEPTIONS will be made.
- **Applications received after October 29, 2021** will receive the new guaranteed interest rate even if they are approved and paid by December 31, 2021. No exceptions will be made.

For more information on 7702, [click here](#).

## Contact us

## Questions?

Please call our SecureCare Sales Support Team at **1-888-900-1962**



INSURANCE  
INVESTMENTS  
RETIREMENT

Connect with us



Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

Life insurance products contain fees, such as mortality and expense charges, and may contain restrictions, such as surrender periods.

SecureCare may not be available in all states. Product features, including limitations and exclusions, may vary by state.

SecureCare Universal Life Insurance includes the Acceleration for Long-Term Care Agreement. The Acceleration for Long-Term Care Agreement is a tax qualified long-term care agreement that covers care such as nursing care, home and community-based care, and informal care as defined in this agreement. This agreement provides for the payment of a monthly benefit for qualified long-term care services. This agreement is intended to provide federally tax qualified long-term care insurance benefits under Section 7702B of the Internal Revenue Code, as amended. However, due to uncertainty in the tax law, benefits paid under this agreement may be taxable.

Additional agreements may be available. Agreements may be subject to additional costs and restrictions. Agreements may not be available in all states or may exist under a different name in various states and may not be available in combination with other agreements.

These materials are for informational and educational purposes only and are not designed, or intended, to be applicable to any person's individual circumstances. It should not be considered investment advice, nor does it constitute a recommendation that anyone engage in (or refrain from) a particular course of action. Securian Financial Group, and its subsidiaries, have a financial interest in the sale of their products.

Insurance products are issued by Minnesota Life Insurance Company in all states except New York. In New York, products are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

Securian Financial is the marketing name for Securian Financial Group, Inc., and its subsidiaries. Minnesota Life Insurance Company and Securian Life Insurance Company are subsidiaries of Securian Financial Group, Inc.

**For financial professional use only. Not for use with the public.** This material may not be reproduced in any form where it would be accessible to the general public.

View this email as a [web page](#).

Manage your preferences for future marketing communications or unsubscribe from our Individual Life, Individual Annuity and Retirement Plans marketing emails by visiting our [profile center](#). We respect your privacy. We will not release your email address for any purpose.

**Securian Financial Group, Inc.**  
**[securian.com](#)**

400 Robert Street North, St. Paul, MN 55101-2098  
©2021 Securian Financial Group, Inc. All rights reserved.

F87549-183 9-2021 DOFU 9-2021  
1844493