SecureCare Universal Life
Individual Life and Long-Term Care Insurance

Insurance products issued by:
Minnesota Life Insurance Company

SALES IDEA

SecureCare funding source: RMDs

If you have clients ages 71-75 who are just getting started with long-term care (LTC) planning, SecureCare Universal Life's recent increase to its maximum payment age may create a unique opportunity.

Since SecureCare's maximum payment age is now age 80,[1] this allows older clients to take advantage of longer payment duration options and — potentially — a different premium funding strategy. If the client doesn't need to rely on required minimum distributions (RMDs) from their qualified accounts for retirement income, they could use their RMDs to fund SecureCare. Clients are generally required to start taking RMDs when they reach age 72.

Benefits of using RMDs to help fund a SecureCare policy

- Offers clients the potential to leverage each dollar of their RMDs to provide several dollars for LTC
- The money left in their qualified account may continue to grow based on market returns
- If care is needed, the client receives a cash benefit they can use however they want with no restrictions or limitations[2]
- If the client dies before care is needed, their policy will provide a tax-free death benefit to their beneficiary[3]

How it works

Randy, age 72

$1.5 million qualified account

RMD of $58,594, leaving $43,945[4] after taxes

SecureCare 7-pay with 5% compound inflation protection option

$43,945 annual premium

Learn more

What other funding sources could your clients use for LTC protection? Contact us today:

1-888-900-1962
(Independent Distribution)

1-877-696-6654
(Securian Financial and Broker-Dealer)

1. Maximum payment age may vary by state of issue.
2. If owner/insured are different, benefits will be paid to the owner upon the insured being certified as a chronically ill individual.
3. If owner/insured are different, the death benefit will be paid upon death of the insured.
4. Assuming a 25% income tax rate.

Age	Annual premium	Death benefit if no LTC needed	Total LTC benefit	Annual LTC benefit	Monthly LTC benefit	Internal rate of return
72	$43,945	$205,834	$700,031	$102,917	$8,576	941.04%
76	$43,945	$206,489	$850,892	$125,096	$10,425	27.32%
79	$0	$307,615	$985,014	$144,814	$12,068	17.60%
81	$0	$307,615	$1,085,979	$159,658	$13,305	14.75%
86	$0	$307,615	$1,386,014	$203,768	$16,981	11.22%

When you compare Randy's total LTC benefit at age 86, $1,386,014, to his total paid premium, $307,615, he would have a benefit to premium ratio of greater than 4 to 1.

Ultimately, if you have clients who put off LTC planning until their older years, the ability to use RMDs as a funding source could be the extra edge they need to secure LTC protection.

At age 86, every $1 of premium yields $4.51 of LTC benefit.

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.

Insurance policy guarantees are subject to the financial strength and claims-paying ability of the issuing insurance company.

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.

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 and Extension of Long-Term Care Benefits Agreement are tax-qualified long-term care agreements that cover care such as nursing care, home and community based care, and informal care as defined in these agreements. These agreements provide for the payment of a monthly benefit for qualified long-term care services. These agreements are 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 these agreements may be taxable.

The death proceeds will be reduced by a long-term care or terminal illness benefit payment under this policy. Clients should consult a tax advisor regarding long-term care benefit payments, terminal illness benefit payments, or when taking a loan or withdrawal from a life insurance contract.

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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.

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