



CareMatters TogetherSM

Frequently asked questions

What is the difference between cash indemnity and reimbursement plans?

Reimbursement policies reimburse only for the actual cost of qualifying care expenses. In order to determine the amount of the reimbursement, all bills and receipts need to be turned in each month.

By contrast, CareMatters Together is a cash indemnity policy, meaning there's no need to go through a monthly process of submitting bills and receipts. Instead, once the claim is approved and the 90-day elimination period has been satisfied, the full available monthly LTC benefit can be accessed.

Are there any limits as to how I can spend my monthly LTC benefit?

No. Once you qualify for benefits, payments (up to the maximum amount you qualify for) are sent to the policyowner each month. Nationwide places no restrictions on how LTC benefit payments are used.¹

Do I have to take the maximum LTC benefit amount?

No. You may take less than the maximum monthly LTC benefit amount that you qualify for in your policy. Taking less money can help extend the length of time your benefit is available. However, if inflation protection is elected, the maximum monthly LTC benefit amount must be requested in order to receive the inflation protection benefit. Please be aware that a minimum allowable amount also applies to what you may request each month. Benefit planning decisions can be complex and have consequences. Please consult your financial professional.

Will there still be a death benefit if I start using LTC benefits?

Yes. Upon the death of the second insured, your beneficiaries will receive either the policy death benefit reduced by the LTC benefits paid or the minimum death benefit, whichever is greater. The death benefit will be reduced by LTC benefits paid, outstanding loans, unpaid monthly deductions and partial surrenders.

¹ Under certain circumstances, benefits may be taxable. Please consult a tax advisor.

How does inflation protection affect my policy?

Inflation protection, if elected, will provide an additional amount to your maximum monthly LTC benefit. The additional benefit provided by electing inflation protection helps offset rising LTC costs. Benefits provided by inflation protection are in addition to the total LTC benefits and maximum monthly LTC benefit available. The benefit amount requested each month will be paid first from the LTC Rider or the Long-Term Care Extension of Benefits (LTCEB) Rider up to the maximum monthly LTC benefit and then from the Inflation Protection Rider up to the maximum monthly inflation benefit. Inflation benefits not taken in a given month will not be available in future months.

Can the policy lapse while I am collecting LTC benefits?

While LTC benefits are being paid, your policy will not lapse, and premiums will be waived.

If there is policy indebtedness, as soon as you are no longer receiving LTC benefits, you may have to make sufficient loan repayment to prevent your policy from lapsing.

Can I use my CareMatters Together benefits for more than one LTC claim?

Yes. If you receive benefits for a LTC claim and then recover, you may use any remaining available LTC benefits for future LTC claims. Future claims do not have to be related to the original claim. Each claim must meet the eligibility requirements of the LTC Rider or LTCEB Rider. Each insured has to meet their 90-calendar-day elimination period only once in a lifetime. You may use your LTC benefits multiple times until they are exhausted.

What happens if both of us are eligible for benefits at the same time?

LTC benefits can be paid for both insureds. Two payments of the maximum monthly benefit per insured can be paid simultaneously.

How would inflation work once I recover and I am no longer on claim?

Upon recovering from a claim, your remaining available LTC benefits will continue to inflate and will be available for any future claims that may arise.

Do I have to keep paying premiums when someone goes on LTC claim?

The policy includes a Waiver of Premium, so when one or both of the insureds goes on claim, the premiums will be waived. If the insured(s) come off claim, then premiums will need to resume, or the policy will become a reduced paid-up policy.

How much of my LTC benefit will be tax free?

The amount of tax-free LTC benefits you can receive across all policies in a given year is the greater of:

- The HIPAA per diem amount for that year, or
- The actual qualified long-term care expenses incurred

What is HIPAA?

HIPAA stands for the Health Insurance Portability and Accountability Act. HIPAA establishes a per diem amount for each tax year. The HIPAA per diem amount usually increases annually. For 2023, it is \$420 per day (or \$12,600 in a 30-day month).

Do I have access to my cash value?

Yes. Loans and partial surrenders are allowed on this policy. However, loans and partial surrenders will decrease the death and LTC benefits and can potentially cause the policy to lapse. No loans or partial surrenders are permitted while LTC benefits are being paid. The policy may also be surrendered at any time for its net surrender value (reduced by any LTC benefits paid and by any amounts owed on the policy) which can be seen in the tabular detail of the sales proposal.

Why is the death benefit higher at issue?

The Internal Revenue Code requires a minimum death benefit relative to the policy's cash value based on your age. This requirement can result in a minimum required death benefit greater than that produced by the elected specified amount and is why the net death benefit may be higher in some years. Please refer to the tabular detail for specific values in a given year.

How do I qualify for LTC benefits?

When applying for LTC benefits, a care coordinator will assist you through the process. In order to be eligible for the monthly LTC benefits, the following must occur.

1. A U.S.-licensed health care practitioner must certify the insured as:
 - a. requiring substantial supervision to protect the individual from threats to health and safety due to severe cognitive impairment, and/or
 - b. being unable to perform, without substantial assistance from another individual, two or more of the activities of daily living for at least 90 days due to a loss of functional capacity
2. The claims coordinator will also develop and coordinate a Plan of Care that best fits the insured's needs. While the Plan of Care will recommend the care and services based on the review of the claim, the type and care the insured actually receives is not enforced.

The claim will need to be recertified at least annually.

When will I start receiving my LTC Benefits?

1. There is a 90-calendar day elimination period beginning immediately after the date you're certified as chronically ill and start receiving LTC services.
2. Once the 90-calendar day elimination period has been met, LTC benefits for the first 90 days will be paid along with LTC benefits for month four.
3. Upon meeting the elimination period, it is satisfied for life of the policy in the event you have more than one LTC claim.
4. Each insured must complete their own elimination period.

What if we use only some of our LTC benefits?

Upon the death of the second insured, your beneficiaries will receive either the remaining policy death benefit not used for LTC benefits or the minimum death benefit, whichever is greater.

When is the death benefit paid?

The death benefit is payable to the beneficiaries upon the death of the second insured.



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

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.

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 make any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Nationwide CareMatters Together is a cash indemnity product that pays LTC benefits when one or both of the insured persons are 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. You should consult with your tax and legal advisors about your specific situation.

Keep in mind that the payment of Long-Term Care Rider benefits, as an acceleration of the death benefit, will reduce both the death benefit and net surrender value of the policy. Additionally, loans and withdrawals will also reduce both the net surrender value and the death benefit. Care should be taken to make sure that life insurance needs continue to be met even if the rider pays out in full or after money is taken from the policy. There is no guarantee that the rider will cover the entire cost for all of the insureds' long-term care, as this may vary with the needs of each insured. One of the insureds may exhaust the entire long-term care benefit. Nationwide pays the long-term care benefit to the policyowner; there is no guarantee the policyowner will use the benefit for long-term care expenses if the policy is owned by someone other than the insured.

The policy this rider is attached to is noncancelable. This means that you have the right, subject to the terms of your policy, to continue your policy, provided you pay your scheduled premium on time. Nationwide cannot change any of the terms of your policy on its own and cannot change the scheduled premium.

When choosing a product, make sure that life insurance and long-term care insurance needs are met. CareMatters Together is not intended to be a primary source of life insurance protection, so make sure life insurance needs have been covered by appropriate products. Because personal situations may change (e.g., marriage, birth of a child or job promotion), so can life insurance and long-term care insurance needs. Care should be taken to ensure these strategies and products are suitable. Associated costs, as well as personal and financial objectives, time horizons and risk tolerance, should all be weighed before purchasing CareMatters Together. Life insurance, and long-term care coverage linked to life insurance, may have fees and charges associated with it that include the costs of insurance, which vary based on characteristics of each insured such as sex, tobacco use, health and age, and additional charges for riders that customize a policy to fit individual needs.

CareMatters Together has exclusions, limitations, reductions of benefits and terms under which the product may be continued in force or discontinued. For more details on cost and coverage options, contact your financial professional.

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

Nationwide CareMatters Together may not be available in every state. Please contact Nationwide to determine product availability in your state.

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

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