

GUIDE TO LONG-TERM CARE AND CHRONIC ILLNESS ACCELERATED BENEFIT RIDERS

Rider Type	Definition
Chronic Illness Riders Inherent Discount Method	Accelerated Benefit Rider filed under IRC Section 101(g). Rider is included in the base insurance product without an explicit premium charge. Benefits are paid via a reduction of the death benefit. Net payment to the client is reduced by any applicable administrative charge and discounted by an amount based on multiple factors, including but not limited to: attained age, expected mortality, expectation of future premiums and an interest rate. Cash value will be reduced on either a pro-rata or dollar for dollar basis. <i>Please ask your MVP Financial rep for the Inherent Chronic Illness Rider Details</i>
Chronic Illness Riders Inherent Lien Method	Accelerated Benefit Rider filed under IRC Section 101(g). Rider is included in the base insurance product without an explicit premium charge. Benefits are paid via a lien against the death benefit. Net payment to the client is for the full acceleration amount, less any administrative charges. The remaining death benefit is reduced by the acceleration amount plus an interest rate applied annually. Cash value will be reduced on either a pro-rata or dollar for dollar basis. <i>Please ask your MVP Financial rep for the Inherent Chronic Illness Rider Details</i>
Chronic Illness Riders Premium Charge	Accelerated Benefit Rider filed under IRC Section 101(g). Rider is elected at policy issue and has an explicit premium charge. Benefits are paid via a reduction of the death benefit. Net payment to the client is reduced by any applicable administrative charge. Death benefit is reduced on a dollar for dollar basis. Cash value will be reduced on either a pro-rata or dollar for dollar basis. <i>Please ask your MVP Financial rep for the Premium Charge Chronic Illness Rider Details</i>
Long-Term Care Riders	Accelerated Benefit Rider filed under IRC Section 7702(b). Rider is elected at policy issue and has an explicit premium charge. Benefits are paid via a reduction of the death benefit. Net payment to the client is reduced by any applicable administrative charge. Death benefit is reduced on a dollar for dollar basis. Cash value will be reduced on either a pro-rata or dollar for dollar basis. <i>Please ask your MVP Financial rep for the Long-Term Care Rider Details</i>

AVAILABLE RIDER TYPES BY CARRIER

Carrier	Corebridge	Banner Life family of companies	Equitable	F&G	Foresters	John Hancock	Lincoln Financial	Mass Mutual	Mutual of Omaha	Nationwide	New York Life
CI - Inherent - Discount				X	X	X	X	X	X	X	
CI - Inherent - Lien											
CI - Premium Charge	X					X					X
Long-Term Care Rider						X	X	X	X	X	

Carrier	North American	Principal	Protective Life	Prudential	Securian Financial	Security Mutual	Symetra	Transamerica
CI - Inherent - Discount	X	X			X	X		X
CI - Inherent - Lien							X	
CI - Premium Charge			X	X	X		X	
Long-Term Care Rider								X

LONG-TERM CARE AND CHRONIC ILLNESS ACCELERATED BENEFIT RIDERS GLOSSARY

Term	Definition
Benefit Type: Indemnity	Once a claim is approved by the carrier, no monthly bills or receipts will need to be submitted, and up to the full monthly LTC benefit will be paid directly to the policy owner.
Benefit Type: Reimbursement	Once a claim is approved by the carrier, only documented, qualified incurred expenses are paid, up to the stated monthly maximum policy benefit.
Benefit Amount	Benefit Amount calculations vary by rider type and carrier. Generally, riders with an associated premium charge will pay a percentage of the face amount from 1% to 4% (elected at policy issue) on a monthly basis until benefits are exhausted. Inherent riders will pay a percentage of the face amount on an annual basis, subject to an annual maximum and % of face amount maximum, until benefits are exhausted. Benefits may be subject to the IRS per diem limit which may reduce amounts available to a client on a monthly or annual basis or render some benefit amounts taxable.
Benefit Pool Able to Increase?	Some products allow for the pool of benefits to increase as the face amount increases under Death Benefit Option 2 or as a policy hits corridor.
Lien Method	Lien Method: Client receives full acceleration amount. The acceleration creates a loan against the death benefit that accrues interest, further reducing net future death benefit paid to beneficiaries.
Mortality Discount Method	Benefit reduced by an actuarial discount, administrative fee, and any unpaid loans and loan interest.
Qualifications	Requirements for receiving benefits. Varies by rider type. May also vary by carrier for Chronic Illness Riders. Please consult the appropriate ABR Product Resource for additional details.
Residual Death Benefit	A modest amount of coverage reserved for payment to the named beneficiaries upon the insured's death after Accelerated Benefits have been exhausted.



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For informational purposes only. Not Binding. Please consult carrier documentation for additional details.