

Long-Term Care Rider / Product		Accelerated Benefits for Chronic Illness	
Section 7702B		Section 101(g)	
May market verbally and in writing as long-term care coverage		May NOT be marketed in any manner as long-term care coverage.	
Pays temporary and permanent claims. Potential for a residual death claim in excess of original death benefit.		Many plans only pay for permanent chronic illnesses. (Condition must be likely to last the rest of the insured's life)	
State specific LTC CE may be required to sell. (Not required in all states. Varies by product design and regulations.		No CE required to sell products.	
Potential for a residual death claim in excess of original death benefit.		No residual DB in excess of DB amount. Some companies require a portion of DB to be held back and paid upon death.	
Has additional cost of insurance charge for rider. LTC benefit pool and monthly benefits are determined at policy issue.		All are indemnity. Claims reimbursement are not possible.	
Benefits are usually paid as a % of the DB per month (ie 2% or 4%) but not to exceed IRS per diem.		One carrier offers a benefit based on the IRS per diem there by providing some built in inflation protection.	
Differentiators of 7702B products		Differentiators of 101(g) products	
Indemnity	reimbursement	Additional Charge for Rider	No upfront rider charge but acceleration of death benefit discounted
Full benefit is paid without regard to bills or expenses. Excess benefits may be used for other purposes.	Only actual costs of qualifying long term care services are reimbursed.	Has additional cost of insurance charge for rider	Rider included with policy. Factors such as age, gender, class, cash value & interest rate at time of claim are used to discount the acceleration.
		Chronic Illness benefit pool and monthly benefits are determined at policy issue.	Total chronic illness benefit pool and monthly benefit amount not determined until time of claim.



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