


Prepare yourself for rising health care costs




Modern life insurance offers more than a death benefit to protect loved ones. It may also provide benefits that help to meet certain health-related (or other) expenses while you are still alive. Help protect your family’s financial well-being from unexpected expenses.

Each year for the last 15 years, health care costs have risen by anywhere from **5.5% to 11.9%**¹



How are serious illnesses affecting Americans?

- 6 in 10** Americans live with at least one chronic illness.^{2,3}
- The **#1** cause of death in the U.S. is heart disease.⁴
- 52.8%** of stroke victims survived past five years.⁵
- Every **66 seconds** someone develops Alzheimer’s in the U.S.⁶



What are the financial ramifications?

- \$228.7B** annual cost of heart disease and stroke in the U.S.⁷
- \$305B** total health care costs for all individuals with Alzheimer’s and dementia⁸
- 9.7%** increase in U.S. health care spending, up to \$12,530 per capita annually⁹



Consider preparing for certain unexpected costs

Many modern life insurance policies offer both cash accumulation and living benefits that may help minimize the financial strain of unexpected costs by providing access to funds while the insured person is living, subject to policy terms and conditions.¹⁰

Policies issued by **American General Life Insurance Company** (AGL), Houston, TX, except in New York, where issued by The United States Life Insurance Company in the City of New York (US Life).



Decide what coverage is right for you

Do you know what kind of life insurance coverage you need? You may want to consider a policy with a cash accumulation or living benefits.

Who is life insurance for?

In addition to the traditional death benefit, modern life insurance may be able to help with the expenses of certain qualifying health conditions. For more information on how life insurance with living benefits may be able to help you, contact your financial professional.

How can a life insurance policy work for you?

Life insurance does not have to be coverage that you have to die to use. Depending on the coverage you select, you may have options that can help with certain health-related (or other) expenses. Ask your financial professional for details.

In addition to providing options utilizing available policy cash value or available living benefit proceeds, modern-day life insurance can help protect against some common concerns while living. For information on how life insurance may be able to help you, contact your financial professional.

1. Medical cost trend: Behind the numbers 2022: PwC. <https://www.pwc.com/us/en/industries/health-industries/library/behind-the-numbers.html>
2. Tips for a Healthy Holiday Season. December 2022. <https://www.cdc.gov/chronicdisease/index.htm>
3. "Chronic Illness" within the terms of chronic illness riders issued by AGL and US Life, does not necessarily coincide with the definition of "Chronic Illness" used in statistical sources.
4. Leading Causes of Death. September 2022. <https://www.cdc.gov/nchs/fastats/leading-causes-of-death.htm>
5. Long-Term Survival, Stroke Recurrence, and Life Expectancy After an Acute Stroke in Australia and New Zealand From 2008-2017: A Population-Wide Cohort Study. April 2022. <https://www.ahajournals.org/doi/abs/10.1161/STROKEAHA.121.038155>
6. Memory Care Costs. October 2022. Memory Care Costs | Average Costs of Dementia & Alzheimer's Care (seniorliving.org)
7. 2022 Heart Disease and Stroke Statistics Update Fact Sheet At-a-Glance. 2022. <https://www.heart.org/-/media/PHD-Files-2/Science-News/2/2022-Heart-and-Stroke-Stat-Update/2022-Stat-Update-At-a-Glance.pdf>
8. The Cost Burden of Alzheimer's. March 2022. <https://www.managedhealthcareexecutive.com/view/the-cost-burden-of-alzheimer-s>
9. 2022 Edition—Health Care Costs 101. October 2022. <https://www.chcf.org/publication/2022-edition-health-care-costs-101/>
10. Based on current federal income tax law. Assumes the use of withdrawals to basis and/or policy loans. If the policy is classified as a modified endowment contract (see IRC section 7702A), withdrawals or loans are subject to regular income tax and an additional 10% tax penalty may apply if taken prior to age 59 ½.

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This is a life insurance benefit that also gives you the option to accelerate some or all of the death benefit in the event that you meet the criteria for a qualifying event described in the policy. This policy or certificate does not provide long-term care insurance subject to California long-term care insurance law. This policy or certificate is not a California Partnership for Long-Term Care program policy. This policy or certificate is not a Medicare supplement (policy or certificate).

An Accelerated Death Benefit Rider (ABR) is not a replacement for Long Term Care Insurance (LTCI). It is a life insurance benefit that gives you the option to accelerate some of the death benefit in the event the insured meets the criteria for a qualifying event described in the policy. The rider does not provide long-term care insurance subject to California insurance law, is not a California Partnership for Long-Term Care program policy. The policy is not a Medicare supplement.

ABRs and LTCI provide different types of benefits. An ABR allows the insured to access a portion of the life insurance policy's death benefit while living. ABR payments are unrestricted and may be used for any purpose. LTCI provides reimbursement for necessary care received due to the inability to perform activities of daily living or cognitive impairment.

The activities of daily living are bathing, continence, dressing, eating, toileting, and transferring. LTCI coverage may include reimbursement for the cost of a nursing home, assisted living, home health care, homemaker services, adult day care, hospice services or respite care for the primary caretaker and the benefits may be conditioned on certain requirements or meeting an elimination period or limited by type of service, the number of days or a maximum dollar limit. Some ABRs and all LTCI are conditioned upon the insured not being able to perform two or more of the activities of daily living or being cognitively impaired.

This ABR pays proceeds that are intended to qualify for favorable tax treatment under section 101(g) of the Internal Revenue Code. The federal, state, or local tax consequences resulting from payment of an ABR will depend on the specific facts and circumstances, and consequently advice and guidance should be obtained from a personal tax advisor prior to the receipt of any payments. ABR payments may affect eligibility for, or amounts of, Medicaid or other benefits provided by federal, state, or local government. Death benefits and policy values, such as cash values, premium payments and cost of insurance charges if applicable, will be reduced if an ABR payment is made. ABR payments may be limited by the contract or by outstanding policy loans.

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NO BANK OR CREDIT UNION GUARANTEE | NOT FDIC/NCUA/NCUSIF INSURED