corebridge financial

Top reasons to sell AAS

Chronic Illness Living Benefit Rider



3 in 4
Americans live with at least one chronic illness[3]

22% OF TODAY'S 65-YEAR-OLDS
will need more than five years of long-term care[4]

56% OF PEOPLE
turning age 65 will need long-term care in the remaining years[4]

$414.7 BILLION
Annual cost of heart disease, stroke and cardiovascular disease in the U.S.[5]

BEYOND **100** DAYS, ORIGINAL MEDICARE PAYS **$0**
for skilled nursing facility care[6]

Access life insurance benefits while living.

1. **Permanency requirement removed**—A "chronic" condition doesn't need be considered "life-long" in order to be eligible
2. **No additional licensing required**—Long-term care certification NOT required
3. **Multiple benefit payment options**—
   - Lump-sum payment (paid annually, and reflects the present value of monthly payments for the upcoming year)
   - IRS maximum per diem* amount at the time claim begins (paid monthly)
   - 4% of the AAS benefit per month (paid monthly)
   - 2% of the AAS benefit per month (paid monthly)
4. **Unique benefit payment option***—IRS maximum per diem amount at time claim begins, providing a form of inflation protection for the policy owner's benefit[1]
5. **Waiver of monthly deduction**—Policy deductions stop (including base policy + all riders) while eligible for benefits
6. **Flexible option with total benefit amount**—Select any amount between 50%–100% of the base policy death benefit amount

* Not available in California

FOR FINANCIAL PROFESSIONAL USE ONLY. NOT FOR PUBLIC DISTRIBUTION.

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).
AGLC109773 REV0526

Accelerated Access Solution allows income-tax-favored access to death benefits if certified with a qualifying chronic illness.

Add it to Value+ Protector III, Max Accumulator+ III or Secure Lifetime GUL 3 and get two forms of protection in one policy: chronic illness and death benefit.

That's added security while living, and valuable protection for loved ones after you're gone.

7. **Care coordination services available**—Variety of optional and free support services available to the insured at time of claim
8. **No receipts required**—If qualified, benefits paid irrespective of actual costs incurred
9. **Dollar-for-dollar death benefits payout**—Know the benefit to be received at the time of rider purchase (no discount applied at time of claim)[2]
10. **Control over how money is spent**—Up to the policy holder how the funds are used, not restricted via the policy
11. **Benefits increase if death benefit grows**—AAS lifetime benefit amounts are locked in at the time of initial claim. If policy death benefit increases as the cash value in the policy grows, AAS benefit can be potentially higher than the initial death benefit.[2]
12. **Competitively priced**—Ideal solution for clients 45-65 years old
13. **Attractive compensation**—Same level as base life policy
14. **Available on multiple products**—Value+ Protector III, Max Accumulator+ III and Secure Lifetime GUL 3 policies[7]



[1] IRS caps the maximum daily rate each year. Monthly benefits under any options is capped at the maximum IRS per diem amount at the time claim begins. Subsequent years may be higher.

[2] Subject to the $3.0 million lifetime cap

[3] CDC, About Chronic Diseases. Check rider specifications for qualifying chronic illnesses.

[4] Office of Behavioral Health, Disability and Aging Policy. Long-Term Services and Supports for Older Americans: Risks and Financing, 2022.

[5] 2026 Heart Disease and Stroke Statistics Update Fact Sheet At-a-Glance.

[6] Medicare Coverage of Skilled Nursing Facility Care

[7] 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. 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.

Accelerated Access Solution (AAS)

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. This policy or certificate is not a Medicare supplement policy.

California: NOT Long-Term Care Insurance. 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).

New York: This is a life insurance policy that accelerates the death benefit on account of chronic illness and is not a health insurance policy providing term care insurance subject to the minimum requirements of New York Law, does not qualify for the New York State Long Term Care Partnership Program and is not a Medicare supplement policy.

The Accelerated Access Solution is an optional living benefit rider that is available on the insurance policy 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). The Accelerated Access Solution is a life insurance rider that accelerates a portion of a policy's death benefit upon the insured not being able to perform two or more of the activities of daily living or being cognitively impaired. The activities of daily living are bathing, continence, dressing, eating, toileting, and transferring.[8] Unlike Long-Term Care benefits, control over how money is spent is up to the policy holder: There are no receipts required and no restrictions on what the money is used for once the policy owner has been certified as eligible to receive AAS benefits. Benefits are paid directly to the policyholder for as long as the criteria are met, or until the AAS benefit amount is exhausted, whichever occurs first. Acceleration of death benefits and payments under such an accelerated death benefit (ADB) will reduce the death benefit of the policy and reduce other policy values as well, potentially to zero. If the entirety of the insurance amount is accelerated, the policy terminates.

Acceleration of death benefits and payments under such an ADB will reduce the death benefit of the policy and reduce other policy values as well, potentially to zero. If the entirety of the insurance amount is accelerated, the policy terminates.

A Long Term Care insurance (LTCI) policy is any insurance policy, certificate, or rider providing coverage for diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services that are provided in a setting other than an acute care unit of a hospital. Generally, accelerated chronic illness death benefit riders and LTCI is conditioned upon the insured's not being able to perform two or more of the activities of daily living or being cognitively impaired. The activities of daily living are bathing, continence, dressing, eating, toileting, and transferring. LTCI includes disability based long-term care policies but does not include insurance designed primarily to provide Medicare supplement or major medical expense coverage.

If you are interested in long-term care, nursing home or home care insurance, you should consult with an insurance agent licensed to sell that insurance, inquire with the insurance company offering the accelerated death benefits.

Receipt of accelerated death benefits may affect eligibility for public assistance programs, such as Medi-Cal (in California) or Medicaid (all other states).

If the policy terminates, the Chronic Illness Accelerated Death Benefit Rider will also terminate.

ADBs will reduce the death benefit that the policyholder's heirs will receive, and the use of the ADB proceeds is unrestricted, whereas LTC benefits will not reduce the death benefit that the policyholder's heirs will receive, and the policyholder must use LTC benefits for LTC services.

Payout Options

All states except California. Three monthly benefit options are available. Monthly benefit under any option is capped at the **maximum IRS per diem** amount at the time claim begins.

- 2% of the AAS benefit
- 4% of the AAS benefit
- IRS maximum per diem

California ONLY. Two monthly options are available. Monthly benefit under any option is capped at the **maximum monthly benefit amount under the policy** at the time claim begins.

- 2% of the AAS benefit
- 4% of the AAS benefit

Alternatively, in all states including California, you have the option at the time of claim to receive the accelerated benefit in a lump sum payment in lieu of the benefits payable under the monthly payment option you selected. Such lump sum benefit will be subject to an actuarial discount that is determined by the company at the time you become eligible for benefits under the rider.

Benefit Payment

Once the insured meets the health impairment criteria and benefits have been approved for payment, they may select their disbursement. There is a maximum benefit payable under the monthly disbursement option that we'll notify the insured of at their time of claim. The insured may also select a smaller amount than the maximum monthly benefit. A lump sum option is available as well, which can be substituted for monthly benefits.

Benefit payments may only be made if the payments are subject to favorable tax treatment by the federal government. When determining whether the benefit payments will receive favorable tax treatment, the payment of benefits from all insurance policies must be considered. Prior to applying for such accelerated death benefits, policyowners should seek assistance from a qualified tax advisor.

Tax Implications

There are no restrictions or limitations on the use of the accelerated death benefit proceeds under the Chronic Illness Accelerated Death Benefit Rider. The accelerated benefits payable under this rider are generally intended for favorable tax treatment under Section 101(g) of the Internal Revenue Code.[8] There may be tax consequences in some situations in accepting an accelerated benefit payment amount, such as where payments exceed the per diem limitation under the Internal Revenue Code. You should consult your personal tax advisor to assess the impact of this Benefit prior to accepting the Benefit.

[8] Insured must be certified as chronically ill by a Licensed Health Care Practitioner and meet all eligibility requirements, and the condition need not be permanent

corebridge financial

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). **AGL does not solicit, issue or deliver policies or contracts in the state of New York.** Guarantees are backed by the claims-paying ability of the issuing insurance company and each company is responsible for the financial obligations of its products. Products may not be available in all states and features may vary by state.

All companies above are wholly owned subsidiaries of Corebridge Financial, Inc. Corebridge Financial and Corebridge are marketing names used by these companies.

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. For legal, accounting or tax advice consult the appropriate professional.

FOR FINANCIAL PROFESSIONAL USE ONLY. NOT FOR PUBLIC DISTRIBUTION.

© Corebridge Financial, Inc. All Rights Reserved.