

Brighthouse SmartCare® is an indexed universal life insurance policy issued by Brighthouse Life Insurance Company, designed to provide long-term care (LTC) benefits and protect financial futures as individuals approach retirement. The policy guarantees a death benefit and LTC protection, offering monthly benefit payments without the need for receipts. It allows for potential growth of LTC benefits linked to major market indices while safeguarding against market downturns. However, it is important to note that any benefits paid from the Long-Term Care Acceleration of Death Benefit Rider will reduce the death benefit dollar for dollar, and any policy loans or distributions will decrease the policy's overall value.

The policy addresses the increasing costs of long-term care, which are anticipated to rise as life expectancy increases, and offers flexibility in care options, enabling policyholders to select their preferred care settings, including home health care and assisted living. LTC benefits are provided through an indemnity model, allowing access to the maximum benefit amount without requiring receipts for actual expenses incurred. Customization options are available for coverage, including the LTC benefit period and premium payment schedule. The LTC Acceleration of Death Benefit Rider permits access to up to 95% of the policy's face amount for LTC expenses, with benefits available for two years, followed by an Extension of Benefits Rider that can extend coverage for an additional four years.

To qualify for LTC benefits, a physician must certify that the insured is chronically ill and unable to perform two of six activities of daily living, with a 90-day elimination period before benefits commence. The policy includes a lapse prevention provision, ensuring it remains active as long as required premiums are paid. Policy charges consist of a percentage of premium charge, annual cost of insurance charge, and administrative charges, which may impact the policy's cash value. Additionally, a terminal illness benefit is included, allowing for a one-time payout upon diagnosis of a terminal illness, which will reduce the death benefit and terminate LTC riders.

Brighthouse SmartCare aims to provide financial security and peace of mind, enabling policyholders to manage unexpected long-term care costs while also ensuring a death benefit for beneficiaries. The long-term care benefits are structured to qualify as long-term care insurance under Internal Revenue Code Section 7702B(b), with the expectation that benefits will be income tax-free, although they may become taxable if total payments exceed the per diem limitation set by the Internal Revenue Code. It is recommended to consult a qualified tax advisor before purchasing the policy or exercising rights to receive long-term care benefits. The policy's death benefit and values will be reduced by any long-term care payments, and all policy values will diminish if a terminal illness benefit payment is made. Clients should seek legal and tax advice for specific situations, as the information provided is general and not exhaustive. The policy contains exclusions, limitations, and terms regarding its continuation or discontinuation, and all guarantees are subject to the financial strength of the issuing company. Furthermore, the policy is not a deposit, is not FDIC insured, and may lose value, making it advisable to consult a financial professional for complete details and costs.