



# Top 5 reasons John Hancock pays a reimbursement benefit

John Hancock has over 30 years of experience when it comes to paying LTC benefits. Here's why we continue to believe a reimbursement approach offers a number of advantages over our competitors' "indemnity" way of paying benefits.

	John Hancock	Other carriers
<b>1. To take LTC responsibilities OFF the family</b>	Clients can hire <b>professionals to provide the care</b> , alleviating the emotional, physical and financial toll that caregiving can place on their loved ones.	When clients pay a child or spouse for care, <b>that does not solve many problems faced by family caregivers</b> and could create more.
<b>2. To help preserve as much of the death benefit as possible</b>	<b>Paying for qualified LTC expenses incurred each month</b> , makes unused benefits available to pay for an extended LTC need or for beneficiaries.	The total monthly LTC benefit is paid, <b>reducing the death benefit accordingly.</b>
<b>3. To provide maximum LTC benefit</b>	<b>Clients can elect up to a \$50,000 maximum monthly benefit amount</b> , regardless of the per diem amount.	<b>Benefit often capped at per diem limit</b> (currently \$12,000 month). Benefits paid in excess of the per diem limit must be spent on qualified LTC services to receive tax-favored treatment.
<b>4. To help alleviate benefit administration</b>	When assigned benefits, <b>we can work directly with care providers</b> to obtain invoices and make payments.	<b>The benefit administration and payment to care providers falls on clients</b> , family members or advisors.
<b>5. To provide simple tax reporting for LTC benefits</b>	<b>Benefits are received income tax free.</b> Form 1099 is sent to clients indicating benefits were paid for qualified LTC expenses. Form 8853 is not necessary.	Form 1099 is sent to clients indicating <b>benefits were paid on a per diem basis.</b> <b>Form 8853 is required</b> to determine the amount that may be subject to income tax.

For more information, please contact your local **John Hancock Representative** or **National Sales Support** at **888-266-7498, option 2.**

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Comments on taxation are based on John Hancock's understanding of current tax law, which is subject to change. Please consult your tax advisor for guidelines for your specific situation.

Insurance policies and/or associated riders and features may not be available in all states.

The Long-Term Care (LTC) rider is an accelerated death benefit rider and may not be considered long-term care insurance in some states. There are additional costs associated with this rider. The maximum monthly benefit amount is \$50,000. When the death benefit is accelerated for long-term care expenses, it is reduced dollar for dollar, and the cash value is reduced proportionately. Please go to [JHSalesHub.com](http://JHSalesHub.com) to verify state availability.

This rider has exclusions and limitations, reductions of benefits, and terms under which it may be continued in force or discontinued. Consult the state-specific Outline of Coverage for additional details.

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