



Long-Term Care Words That Work Playbook

Using the words that help drive better
client conversations to deepen client interest

LIFE | INDEXED UNIVERSAL WITH LONG-TERM CARE

Brighthouse SmartCareSM



Brighthouse
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Brighthouse SmartCareSM, a hybrid life insurance and long-term care product, can help your clients live their retirement the way they want, with protection and potential growth that can benefit them and their loved ones.

When you consider 52% of those turning 65 will require some form of long-term care, but only 10% own long-term care (LTC) insurance, you can see the potential of this market to grow your business.^{1,2} So why don't more people have coverage? Do consumers see the value of LTC? Are we talking about LTC in the right way?

To answer these questions, we conducted in-depth consumer research. The following pages will help you drive more effective client conversations with **Words That Work**. By making a few small adjustments in the way you talk about the LTC category and Brighthouse SmartCare,³ you may start to see better engagement and sales.

Use this playbook to:

Locate the right clients by identifying their demographics, values, financial styles, and goals.

Find the right words to emphasize the benefits, features, and details in language clients will react to favorably.

Take the appropriate next steps to keep the conversation and momentum going.

¹ Melissa Favreault and Judith Dey, Long-Term Services and Supports for Older Americans: Risks and Financing, U.S. Department of Health & Human Services, February 2016. p. 3

² Urban Institute, "Who is covered by private long-term care insurance?" August 2, 2016.

³ Brighthouse SmartCare is an indexed universal life policy with long-term care benefits provided by riders.



Locate the Right Clients

Consider starting a conversation with clients who are financially ready for retirement, have diverse income sources, and have varied planning objectives.

Our research has highlighted specific characteristics that can be used to help identify the right client:

- Average household income between \$90,000 and \$150,000
- May have a parent or loved one who received long-term care
- Looking for encore opportunities in retirement (volunteering, second career, etc.)
- Parents of teens or older children



Good to know

See in-depth client profiles in the **Find the Right Client** document located in your advisor materials or at brighthousefinancialpro.com.

Find the Right Words

Consumers recognize that LTC insurance is important, but have barriers you need to address before they're ready to buy.

Through our research we learned that consumers are realistic about the future, so this isn't a subject you have to tiptoe around. While they're excited for a long, healthy retirement, they understand the realities of getting older.

So why haven't they bought coverage? Here are consumers' top three responses:

- 01 **It's expensive**
"It's a great idea to have it, but how much will it cost me to get it?"
– Research Consumer, Dallas
- 02 **It's a low priority**
"I haven't really given it much thought. I'm still worried about paying for college and graduate school."
– Research Consumer, Chicago
- 03 **Traditional LTC's "use it or lose it" design**
"If you pay in \$70,000 or \$100,000, when you pass away, that money is going to stay with the insurance company."
– Research Consumer, Dallas

Ultimately, these barriers can result in clients not even wanting to discuss the topic of LTC insurance. Now, let's see how we can change that.



As an advisor, you understand what hybrid life and LTC insurance is and how it works, but our research shows that consumers don't know a lot about the category.

You should start by introducing the product, then layer in the benefits. The right sequence at the right time can help lead to the right results.

01

First, explain what the product is

"This is a hybrid life insurance and long-term care product that helps protect you with LTC coverage and your loved ones with a death benefit."

02

Next, talk about the primary benefit – it's a win-win

"You can feel prepared for the future because, regardless of what happens, you can get something for your money."

03

Then, introduce growth as an added benefit

"And best of all, you have the opportunity to participate in market growth, so your benefit values may grow over time."



Even though most clients are savvy and can handle an honest discussion of life insurance and long-term care, they can still become confused.

Tell it like it is, using clear, recognizable, and optimistic language.

You should

Use words that are **familiar**.

Be **specific** about what it does.

For example

Say "death benefit," not "legacy."

"It helps to pay for long-term care costs; and even if you use all of your long-term care benefits, your family will still receive a death benefit when you pass away."

What they hear

"It's not sugarcoating the idea that you have medical problems when you retire. It's not all living on the beach."

– Research Consumer, Chicago

Instead of

"A life insurance and long-term care product"
OR "a **combination** of life and long-term care insurance."

Consider saying

"A **hybrid** life insurance and long-term care product."

Why "hybrid" works

"Combination" signals an added expense, while "hybrid" is perceived as thoughtful. It also generates positive reactions because of its association to technology.



Beyond defining Brighthouse SmartCare as a hybrid life insurance and long-term care product, you should explain how it differs from traditional long-term care insurance.

You say

"Brighthouse SmartCare is a hybrid life insurance and long-term care product. That means that you're covered in case of a long-term care event; but unlike traditional LTC insurance, your loved ones will receive a death benefit, ensuring that you see value from your policy."

They think

"With traditional LTC insurance, if I never need care, then I lose my money. With Brighthouse SmartCare, if I never need care, my family would get a death benefit when I die."

Core Benefit

They are getting something for their money – LTC benefits and a death benefit. If they don't use it, they don't lose it.



Too often, conversations around LTC insurance feature scare tactics – language that focuses on the dangers of not having insurance.

Our research shows that clients don't respond favorably to this.

You say

"If you get sick, you'll have a plan to cover the rising costs of long-term care expenses."

"It shouldn't take a health scare to start thinking about long-term care insurance."

They think

"What do you mean by that? How sick do you need to be?"
– Research Consumer, Dallas

"I don't like that; it's playing on people's fears."
– Research Consumer, Chicago

"Made me feel guilty because I haven't done it yet."
– Research Consumer, Chicago

Consider saying

"You'll have a portion of your financial portfolio set aside for long-term care costs."



Take the appropriate next steps

Even the best language can't
guarantee a sale.

However, moving away from certain words in favor of more optimistic, actionable language has the potential to shift client perceptions to a more positive perspective.

Words Matter – Make the Most of Yours

Incorporating Words That Work into your sales presentations and client conversations for Brighthouse SmartCare can help take your business to the next level.

Instead of:

Cushion
Leave a legacy

Future care planning
Advanced care planning
Assistance as you age

If you get sick

Six activities of daily living

Brighthouse SmartCare covers two risks in one policy

Investment

Burden

Forceful language

Second half of life

Grow alongside the market

An index like the S&P 500

Earn up to a ceiling

You don't have to worry about unexpected big-ticket, long-term care expenses that could derail your plans

In the event of a market downturn, your family is protected

Consider:

Death benefit

Long-term care

If you require long-term care

Bathing, continence, dressing, eating, toileting, transferring

It's a product that can benefit both you and your loved ones

Assurance

Maintaining control

Speak directly to their reality

Aging is the future of living, grow your personal assets as you grow in retirement

You can still participate in the market

The growth you may earn is linked to the performance of the S&P 500®, Russell 2000®, or MSCI EAFE^{A,B,C}

The S&P 500, Russell 2000, or MSCI EAFE

Earn up to an annual growth cap of 8%
(stick to straightforward language for the cap)

You don't have to tap into your discretionary money

When the index goes down, you are protected, which means you earn 0% growth in a market downturn, instead of experiencing a loss



Thank you for taking the time to review this material.

We hope it provided insights into the consumer mindset about LTC insurance, and how Brighthouse SmartCare can change perceptions with our hybrid life insurance and long-term care product.

Learn more by contacting your wholesaler or visit brighthousefinancialpro.com.

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Not available in all states.

Long-term care (LTC) benefits provided by riders to the policy are intended to provide qualified long-term care insurance under Internal Revenue Code Section 7702B(b). Although benefits paid under a rider are intended to be income tax free as accident and health benefits under a qualified long-term care insurance contract, benefits may be taxable in certain circumstances. For example, benefits may be taxable when the aggregate LTC benefit payments received under a rider and other policies or riders exceed the Internal Revenue Code section 7702B(d)(2) per diem limitation. Clients should consult with an attorney or qualified tax advisor before purchasing Brighthouse SmartCareSM and when exercising any right to receive LTC benefits under any rider included with the policy. The policy's death benefit and policy values will be reduced as a result of any LTC ADBR payment.

All policy values will be reduced and any LTC rider will be terminated if a terminal illness benefit payment is made under the policy. Clients should consult a tax advisor to determine the current tax consequences before requesting any terminal illness benefit payment.

Any discussion of taxes is for general information purposes only, does not purport to be complete or cover every situation, and should not be construed as legal, tax, or accounting advice. Clients should confer with their qualified legal, tax, and accounting advisors as appropriate.

Brighthouse SmartCareSM, an Indexed Universal Life Insurance Policy on Policy Forms ICC18-5-70 and 5-70-18, with a Long-Term Care Acceleration of Death Benefit Rider on Policy Forms ICC18-3ACCLTC1 and 3ACCLTC1-18, including the option to elect an Extension of Benefits Rider on Policy Forms ICC18-3EOB1, ICC18-3EOBIC1, or ICC18-3EOBIP1, and 3EOB1-18, 3EOBIC1-18, or 3EOBIP1-18, is issued by, with product guarantees that are solely the responsibility of, Brighthouse Life Insurance Company, Charlotte, NC 28277 ("Brighthouse Financial"). All guarantees, including optional benefits, are subject to the claims-paying ability and financial strength of the issuing insurance company. Each issuing insurance company is solely responsible for its own financial condition and contractual obligations. Brighthouse SmartCare has exclusions, limitations, reduction of benefits, and terms under which the policy may be continued in force or discontinued. For costs and complete details of the coverage, please refer to a basic illustration and specimen copies of the policy and riders.

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