OneAmerica®

Asset-Care®

What every producer needs to know about Asset-Care® III

Assets in individual retirement accounts (IRAs) reached $7.4 trillion in 2014. You have an important opportunity to provide your clients a solution to help them gain needed protection for long-term care (LTC) expenses using IRA money.*

Asset-Care III allows your clients to use their IRA funds to pay LTC expenses and turn taxable dollars into income-tax free funds for their heirs. Asset-Care III includes an annuity that automatically funds a 20-pay whole life insurance policy each year.

Frequently asked questions

How do the withdrawals from the Asset-Care III annuity work to fund the life policy?

A withdrawal (which is taxable to the owner) is taken each year from the Asset-Care III annuity until the 20-pay life insurance policy is paid up and the annuity is exhausted. The annual withdrawal is approximately 6.5 percent of the initial annuity premium.

How does the required minimum distribution (RMD) feature work on the Asset-Care III annuity?

When the client turns 70½, we will calculate the RMD based upon the annuity account value. If the required withdrawal to meet the RMD is greater than the withdrawal to fund the 20-pay life policy, we will send the difference to the client with no surrender charge. State Life will continue the RMD as long as the annuity has a balance.

What is the Care Solutions Claims Concierge?

OneAmerica has created this special service to help relieve your clients' stress when they need to file a claim for LTC benefits. When a client initiates a new LTC claim, he or she is assigned a personal Claims Concierge, who works promptly to help collect information, retrieve requirements and file the claim to ensure the client receives all stated policy benefits.

***Source:** "2015 Investment Company Fact Book," Investment Company Institute. March 2016.*

NOT A DEPOSIT	NOT FDIC OR NCUA INSURED	NOT BANK OR CREDIT UNION GUARANTEED	NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY	MAY LOSE VALUE

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What happens to the Asset-Care III annuity at the death of the owner/annuitant?

Generally, if the spouse is the beneficiary and a joint insured, the spouse may take over the annuity and continue to fund the Asset-Care III life policy. If a non-spouse is the beneficiary, the annuity proceeds are taxable income to the beneficiaries and must be distributed according to IRS rules. If the life policy has a surviving insured, this could prevent the annuity from funding the policy. On joint life Asset-Care III policies, we recommend that the spouse be the beneficiary of the annuity so the surviving spouse may continue funding the joint life policy.

How are LTC benefits from the Asset-Care III annuity taxed?

Withdrawals from an annuity are taxable income. However, they may be tax-deductible as unreimbursed medical expenses (to the extent the taxpayer itemizes and based on current tax laws).

How are LTC benefits from the Asset-Care III life insurance policy taxed?

LTC benefits from the Asset-Care III life policy are intended to be tax-qualified and therefore income-tax free for qualifying LTC.

How is the Asset-Care III life insurance policy taxed at the insured's death?

When the insured dies or the second insured on a joint policy dies, the life policy's death benefit passes income-tax free to the named beneficiary.

Contact your back office or the Sales Desk at **1-800-275-5101** for more information.

Note: Products issued and underwritten by The State Life Insurance Company® (State Life), Indianapolis, IN, a OneAmerica company that offers the Care Solutions product suite. Asset-Care® Form number series L301, R501 and SA31. Not available in all states and may vary by state.

Asset-Care is a whole life insurance and annuity combination that allows access to 100 percent of the life policy death benefit and/or annuity cash value for qualifying LTC expenses (paid monthly). All guarantees are subject to the claims-paying ability of State Life.