

The Lincoln Leader

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LIFE INSURANCE

Now Available – *Lincoln LifeElements*® Level Term (2017) – 10/16/17

Effective October 16, 2017, Lincoln is pleased to announce pricing improvements to *Lincoln LifeElements*® Level Term (2017) which will improve competitiveness in key cells at ages 45 and above with face amounts of \$500,000 and above. Premiums either decreased or remained the same in all cells.

Highlights

Goals of the reprice include being a “top 3 carrier” with premiums reduced in 45% of the following core cells:

- \$1 million of death benefit at ages 45+ for all term periods
- \$500,000 of death benefit at ages 45+ for 15/20/30 year term periods
- \$500,000 of death benefit at ages 55+ for 10 year term period

Transition Guidelines

For states that are approved at rollout, there is a 60-day transition period which will **begin on October 16, 2017 and end on December 15, 2017**. The 2017 product has not been filed at this time in Alaska, Massachusetts, and New York since they have not approved the use of PBR/2017 CSO.

- **New applications received on or after October 16, 2017 and applications currently in underwriting that will be issued on or after October 16, 2017** will automatically receive the new *Lincoln LifeElements*® Level Term (2017) – 10/16/17 lower premiums, if applicable. A request to use the lower rates will not be required. If the application had been submitted with premium using the previously higher rates, the difference will be automatically refunded.
- **Beginning December 18, 2017**, the new *Lincoln LifeElements*® Level Term (2017) – 10/16/17 rates will automatically be used for all cases.
- **For policies already issued**, Lincoln will accept a written request to change to the *Lincoln LifeElements*® Level Term (2017) – 10/16/17 rates.
- **For policies already placed**, Lincoln will not allow rewrites to the *Lincoln LifeElements*® Level Term (2017) – 10/16/17 rates.
- **For *LincXpress*® Tele-App Cases**, a complete ticket and required solicitation forms* must be received within the same transition rules outlined above.
- **For states approved after rollout**, the above will automatically apply based on the **availability date**.

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***Required *LincXpress*® Tele-App solicitation forms include:**

- *LincXpress*® Tele-App Ticket (LF11252)
- Authorization for Release of Information (HIPAA) (LF02896 or state variations)
- Important Notice: Replacement of Life Insurance or Annuities (LF10087 or state variations) must be signed on or before the earliest signed form in the ticket packet and is needed whether replacing or not replacing.
- Receipt of Privacy Practices Notice and Important Notice Acknowledgment Form (LF10244)
- Agent's Report (LF10971)—Completed and signed by agent only

Click here to view the Term state availability.

Illustration Availability

Illustrations for *Lincoln LifeElements*® Level Term (2017) – 10/16/17 will be run on the *Lincoln DesignIt*™ *Illustration System* (v38.0E). If you have an active internet connection, the software will automatically update to include the new rates on October 16, 2017. If you need to download the *Lincoln DesignIt*™ illustration system, it will be available on the Lincoln producer websites or from Field Office Technicians.

Available Riders

The following riders are available on all versions of *Lincoln LifeElements*® Level Term:

- Accelerated Death Benefit Rider
- Children's Term Insurance Rider
- Waiver of Premium Rider

Marketing Materials

All impacted materials have been updated and made available on the Lincoln Producer Websites.

Now Available – *Lincoln TermAccel*® – 10/16/17 (Electronic Ticket Submission Required)

Effective October 16, 2017, Lincoln is pleased to announce pricing improvements to *Lincoln TermAccel*® which will improve competitiveness in key cells. Premiums either decreased or remained the same in all cells.

Our commitment to strong pricing, combined with a fast and easy end-to-end electronic process with **No APS** and the potential for **Lab-Free Underwriting** is why over 450 agencies have already chosen *Lincoln TermAccel*® for their clients. Getting started is simple and our *Onboarding Specialists* are ready to help, because planning for the next generation deserves a next generation product experience.

Highlights

- Goals of the reprice include being a “top 3 carrier” for preferred and standard non-tobacco classes at \$250,000 - \$500,000 of death benefit at ages 30-50 with first place position in many cells.
- Have question? **Click here** to reference the comprehensive TermAccel Frequently Asked Questions document – it is also available via the Lincoln producer websites under TermAccel/Product Details.

Transition Rules

For states that are approved at rollout, there will be a 60-day transition period which begins on **October 16, 2017 and ends December 15, 2017**. *Lincoln TermAccel*[®] is not available in New York.

- **New applications received on or after October 16, 2017 and applications currently in underwriting that will be issued on or after October 16, 2017** will automatically receive the new lower premiums if applicable. A request to use the lower rates will not be required. If the application had been submitted with premium using the previously higher rates, the difference will be automatically refunded.
- **Beginning December 18, 2017**, the new *Lincoln TermAccel*[®] – 10/16/17 reprice will automatically be used for all cases.
- **For policies already issued**, Lincoln will accept a written request to change to the *Lincoln TermAccel*[®] – 10/16/17 rates.
- **For policies already placed**, Lincoln will not allow rewrites to the new *Lincoln TermAccel*[®] – 10/16/17 rates.
- For **states approved after rollout**, the above will automatically apply based on the **availability date**.

[Click here](#) to view the Term state availability.

Illustration Availability

Illustrations for *Lincoln TermAccel*[®] - 10/16/17 will be run on the *Lincoln DesignIt*SM *Illustration System* (v38.0E). If you have an active internet connection, the software will automatically update to include the new rates on October 16, 2017. If you need to download the *Lincoln DesignIt*SM *Illustration System*, it will be available on the Lincoln producer websites or from Field Office Technicians.

Available Riders

The following riders are available on all versions of *Lincoln TermAccel*[®]:

- Accelerated Death Benefit Rider
- Children's Term Insurance Rider
- Waiver of Premium Rider

Marketing Materials

All impacted materials have been updated and made available on the Lincoln Producer Websites.

Lincoln MoneyGuard® II – Introducing Expanded Payment Options and Pricing Changes in California and Hawaii

Reprinted from the Lincoln Life Leader, October 2, 2017

Effective November 20, 2017, *Lincoln MoneyGuard® II* will be introducing expanded payment options and pricing changes for new sales of the product in California and Hawaii.

Background

Lincoln has a long-standing commitment to helping you protect client wealth from long-term care expenses with innovative solutions appropriately priced for market conditions.

Upholding this commitment means creating new opportunities for our partners to grow their business and reach new customers. It also requires us to proactively manage our business in today's persistently low interest rate environment. To achieve this balance, Lincoln makes fair and responsible adjustments when appropriate to provide value to our policy owners, partners and shareholders, and operate responsibly for the long-term.

Market conditions have been challenging, yet *Lincoln MoneyGuard®* continues to grow. This is because we are committed to being able to offer your clients a flexible product that offers benefit and payment options that fit their specific needs.

Product Change Highlights

Expanded Payment Options

Due to customer demand, we are expanding our payment options to provide more financial flexibility to clients. Our new expanded payment options will give clients greater flexibility to purchase a policy at an earlier age and spread their payments over a longer period of time.

Listed below is the availability for the new expanded payment options;

- Clients ages 40 to 54 will now have the option to fund up to age 65, potentially for as long as 25 years.
- Clients between the ages of 55 and 72 will continue to have a choice of payment options up to 10 years.
- Clients between the ages of 73 and 79 will have a new schedule of payment options. Starting at age 73, clients can choose options up to 9 years, grading down by one year at each subsequent age, to 3 years of payments at age 79.
- Single premium payment options are still available.

Pricing Change

The pricing changes identified below were made following a thorough and in-depth analysis of all factors influencing pricing, including those related to the persistently low interest rates. These are the first pricing changes since the product was introduced in early 2014 and will result in a pricing increase or decrease, depending on each client's specific situation.

- Overall, the pricing is increasing by an average of 10%
- In our core markets:
 - Single pay premium rates will increase by a range of 2% to 11% with an average increase of 10%
 - Flexible premium rates will increase by a range of 8% to 18% with an average increase of 14%

At certain ages, this pricing adjustment may alter the benefit level or rider combinations available for sale. For situations where rider/inflation combinations are no longer available, there are alternative options. Contact your Lincoln wholesaler to learn more.

Existing policy owners are not affected, because one of the product’s unique benefits is that all rates and charges are fully guaranteed, assuming all premiums are paid as scheduled and no loans or withdrawals are taken for the life of the policy.

Lincoln MoneyGuard® insurance continues to be the competitively priced life/long-term care hybrid solution that provides clients benefits even if they never need long-term care.

Transition Guidelines

Reflected below are the Transition Guidelines for this rollout:

- For applications to qualify for the current *Lincoln MoneyGuard®* II (2015) pricing:
 - **California:** The fully completed Part 1 for *Lincoln MoneyGuard®* II (2015) and Ticket must be signed, dated, and received in good order by Lincoln’s home office by November 17, 2017, 11:59 PM EST.
 - **Hawaii:** The completed ticket and one other required point of sale form for *Lincoln MoneyGuard®* II (2015) must be signed, dated, and received in good order by Lincoln’s home office by November 17, 2017, 11:59 PM EST.
- For pending business, after November 17, 2017 Lincoln will accept a written request and a revised projection of values to change to *Lincoln MoneyGuard®* II (2017).
- For issued or placed business, normal internal replacement guidelines apply. Rewrites will not be accepted.
- As a reminder, the standard *MoneyGuard®* Rules are: Once a ticket is submitted, the Personal History Interview (PHI) must be completed within 60 days of submission. In addition, the case must be placed within 90 days of the PHI (unless medical records are required). If these conditions are not met, the case will be closed out. If a case is reopened, a new ticket must be submitted, and the case will be subject to the premium rates in effect at that time.
- Advisors who are not properly credentialed (licensing/appointment/etc.) to solicit business when the paperwork is submitted will be subject to the premium rates in effect on the date when the advisor becomes properly credentialed and resubmits the paperwork.

Illustration Availability

Effective October 16, 2017, the Lincoln DesignItSM (version 38.0E) and WinFlex Illustration systems will be updated to reflect the new rates. During the transition period both current and new rates can be run. However, no tickets for *Lincoln MoneyGuard®* II (2017) may be received prior to November 20, 2017.

This grid summarizes the key transition dates for the remaining states. **All other states have already transitioned to the *MoneyGuard* II (2017) product.**

<i>State*</i>	<i>DesignIt Release Date for MoneyGuard II (2017)</i>	<i>Transition Cutoff Date for MoneyGuard II (2015)</i>	<i>MoneyGuard II (2017) Product Availability</i>
California and Hawaii	October 16, 2017	November 17, 2017	November 20, 2017

*New York has not been filed with the State

eSignature Enhancements

Effective October 9, 2017, phase one of two enhancements to the **2-Step User Authentication** within the electronic signature process of Lincoln's forms was implemented based on customer feedback. This change affects electronic platforms that utilize eSignature such as: eApp, eTicket (*LincXpress*® and TermAccel) and the eDelivery platforms.

Throughout phase one, upon completion of the eSignature process, an acknowledgement letter will be mailed to the policy owner confirming that they successfully completed authentication for the purpose of participating in an electronic signature transaction. **No action is required**, unless the policy owner did not authenticate the signing.

Phase two will provide an SMS text message for a secure 2-Step User Authentication to align Lincoln with the insurance industry's evolving security standards. The acknowledgement letter will only be utilized if the client opts out of the text message authentication. This enhancement will take place in first quarter 2018.

The client will continue to utilize the last four digits of their social security number to complete authentication of the eSignature process for both phases.

These enhancements will assist with a more efficient and secure 2-Step User Authentication utilizing Lincoln's eSignature process. Please contact your Lincoln Underwriting & New Business Team with any questions.

Lincoln Underwriting & New Business – Enhancing the “Pending” Process

Case communications and the pending underwriting process are undergoing some updates to improve the customer experience. The pending underwriting process is the largest component of the 'received to policy issue cycle time' of your life submissions. Based on customer feedback, we are excited to share some enhancements recently implemented along with a preview of some new functionality to launch in the coming months.

Recent enhancements include:

- Reformatted proactive email communications so that all Underwriting requirements are listed first, followed by Administrative requirements. Each section is now sorted according to when the requirement is needed in the process. (ie. Requirement for policy issue vs requirement for policy placement.)
- Full name of Underwriting and New Business requirements displayed on the life pending website instead of an abbreviation.
- In-force policy changes that require underwriting will now be visible on the Life pending site.

What's Next?

- TeleApp Pending Status – In fourth quarter 2017 you will begin to see enhanced email and pending website communications to track pending cases through the TeleApp process.
- Requirement Status Timing – In 2018 we will be updating requirement statuses shortly after receipt by Lincoln to ensure that email communications and pending website information simulates a more “real time” customer experience.

If you have any questions, please contact your Lincoln Underwriting & New Business team.

Updated Life Claimant Form

Several states have recently approved the Life Claimant form. There are now three versions of the form:

- **Non-New York** (includes all states except NY and RI)
- **New York** (NY only) - Used for all New York-issued policies and any beneficiary with a known residence in the state of New York.
- **Rhode Island** (RI only)

In addition, the form has been updated to be more customer friendly. Enhancements include:

- Modified physical layout that makes it easier for customers to complete the form and places requested information in a logical order.
- Enhanced instruction page to simplify the customer's experience.
- Claimant email address is now a required field.
- "Charity or Corporation" and "On behalf of a minor child, as attorney-in-fact or as custodian or guardian" have been added as options to the Claimant's relationship to the decedent.
- Payment options section:
 - Consolidated all payment information options into one section including Lump Sum, Settlement and SecureLine® Interest-Bearing Checking Account (if applicable in state).
 - The default for payment option will be a single check if no payment option is selected.
 - Replaced EFT and Wire Deposit requested information with the request for a voided check.
 - A new Settlement Option information worksheet has been created for use when needed.
- The New York version has been revised to meet regulatory requirements.

If you have any questions, please call us at 1-800-487-1485, Option 4. The Claims Specialists are available Monday through Thursday, between the hours of 8:00 a.m. and 6:00 p.m. EST, and Friday, between the hours of 8:00 a.m. and 5:30 p.m. EST.

Lincoln Continues to Work with Policy Owners Impacted by Recent Hurricanes

Lincoln extends our deepest empathy to residents of disaster-impacted communities, recognizing the hardships many of our policyholders and distribution partners continue to experience and the aftermath that many areas are still dealing with as the recovery efforts continue. Lincoln holds firm its commitment to be there for our customers when they need us most. And we want to ensure you know that Lincoln is here to help you and will continue to temporarily adjust several of its business processes for our individual life insurance policyholders directly impacted by these storms, including:

Loans and Withdrawals

Loans and withdrawals will be expedited upon request. We will waive the fee for wiring funds to the policy owner's bank account for those policy owners impacted by the hurricanes.

Premium Payments

- Automatic bank-drafts will continue as usual but may be discontinued upon customer request.
- Premium payment grace periods may be extended on a case-by-case basis to help ensure continuing coverage.
- Adjustments to premium mode will be considered on a case-by-case basis upon request.

Claims

- Will review beneficiaries' individual circumstances before considering funds unclaimed.

Underwriting & New Business

- Underwriting and New Business procedures and requirements will be evaluated on case-by-case basis. Advisors should contact their Lincoln Underwriting & New Business team for more information.

Please note, any adjustments are on a case-by-case basis and will comply with any formal direction provided to Lincoln by the varying state Insurance Departments. Customers should contact Lincoln Financial Group with any questions or to request any of the above-mentioned adjustments.

For additional information, please contact us at the phone numbers listed below with any questions you may have.

- Life Care Center: 800-487-1485
- Claims and Beneficiary Care: 800-487-1485 (for Life); 800-454-6265 ext. *8200 for Annuity

We continue to keep all those impacted by recent hurricanes and catastrophic storms close in our thoughts and we hope for swift progress on recovery efforts.

2017 End of Year Commitment and Guidelines

Lincoln's Underwriting & New Business department is committed to helping you meet your year-end goals and objectives. Our focus is to ensure the maximum amount of your business is placed by close of business on December 29, 2017. To assist in placing year end business we encourage you to submit outstanding requirements as early in December as possible.

Helpful Hints and Reminders

- Always include special instructions on a cover sheet.
- Complete application and applicable forms in their entirety and remember to include the agent's page with agent code to be used for placement.
- Please use the latest state version of the application and forms that can be obtained on our website.
- Remember to get signatures and dates on all forms. Trust/Corporate owned policies do require that the trustee/officer sign with their title.
- Include in good order EFT forms for all bank draft cases and note on the coversheet if the first premium will be drafted.
- Initial premium checks to place your business must be received in New Business by the closing dates shown below to make commission cutoff and to earn production credit for 2017 reporting.
- Ordering medical requirements up front saves significant processing time.
- **Utilizing Lincoln's "eApp", "eDelivery" and "LincXpress" will help expedite processing from submission to placement. (LincXpress can be used for New Business only – not applicable for Internal Exchanges).**
- Suitability review for VUL can take time. Send all VUL forms through your OBD or LFSC rep for suitability review as soon as possible.
- **Overnight Guidelines for 1035 proceeds:** Beginning on 10/2/2017, any 1035 exchange that has a target premium of \$5K+ and/or expected 1035 proceeds of \$10K+ will be requested to overnight the check to Lincoln.
- **1035 Follow-Up Calls:** Initial calls will be made 2 to 3 business days after exchange has been initiated. Follow-up calls will be made every 1 to 2 weeks (based on carrier) on initiated cases that are in good order.

Calendar of Key Dates

- **November 1 – Submit end of year 1035 exchange applications to allow for underwriting and retrieval of 1035 funds**
(subject to losing carrier turn-around times).
- **November 23 – Thanksgiving Holiday (Company Holiday)**
- **December 1 – Submit new applications, tickets and paperwork in good order by this date to allow enough time to underwrite and obtain documents to place for year-end closing** (excludes 1035 exchanges)
- **December 25 – Christmas Holiday (Company Holiday)**
- **December 27 – To ensure placement of your policy, premium and delivery requirements should be submitted in good order by this date.**

*Special Note: We will work a full business day on 12/29/17 to support your business needs.

State Approvals

Rollout of:

- ***Lincoln LifeElements® Level Term (2017) – 10/16/17***
- ***Lincoln TermAccel® – 10/16/17***

[View State Availability Grids](#)

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Variable products are sold by prospectus. For more information about the variable products, including fees and charges, refer to the prospectus. Variable products are distributed by Lincoln Financial Distributors and offered through broker dealers with effective selling agreements.

Only registered representatives can sell variable products.

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