Filing at a Glance

Company: New York Life Insurance Company
Product Name: 5.0 Select Premier
SERFF Tr Num: NWLT-126797635
State: Arkansas
TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care
SERFF Status: Closed-Filed
State Tr Num: 46697
Sub-TOI: LTC05I.001 Qualified
Co Tr Num: 335916CV (0111)
State Status: On Hold
Filing Type: Advertisement
Reviewer(s): Marie Bennett, Harris Shearer
Author: Cindy Rutty
Disposition Date: 09/27/2010
Date Submitted: 09/02/2010
Disposition Status: Filed
Implementation Date Requested: On Approval
Implementation Date:
State Filing Description:

General Information

Project Name: Tax Incentives
Project Number: 335916CV
Requested Filing Mode: File & Use
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact:
Filing Status Changed: 09/27/2010

Deemer Date:
Submitted By: Cindy Rutty

Status of Filing in Domicile: Not Filed
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Individual
Group Market Size:
Group Market Type:
Explanation for Other Group Market Type:
State Status Changed: 09/13/2010
Created By: Cindy Rutty
Corresponding Filing Tracking Number: 335916CV

Filing Description:
Re: New York Life Insurance Company
NAIC # 0826-66915 FEIN # 13-5582869
Long-Term Care Advertising Form Number 335916CV, ED 01.01.11

Dear Sir or Madam,

The above-captioned form is being submitted for your review. This form is new and does not replace any existing form, however it is substantially similar to form 335916CV, which was approved by your department on 3/12/07. The form has been revised to reflect regulatory changes concerning state/federal tax laws for long-term care over time.

Form # 335916CV is a concept paper and is considered an Institutional advertisement. This form will be distributed by our agents or the Company directly as an informational mailer and handout to prospects, clients, and the general public.

Bracketed information is considered variable. We have included a Statement of Variability to support allowable variations.

We want to have the right to use this form in other formats or media, including New York Life Insurance Company websites, New York Life agents' websites, or other websites advertising New York Life Insurance Company's long-term care insurance policies, such as a sponsoring organization (employer or association) website.

To the best of our knowledge, this filing is complete and intended to comply with the insurance laws and regulations of your state.

If you have any questions or need additional information, please contact me at 512-703-5501 or crutty@newyorklifeltc.com.

Sincerely,

Cindy Rutty
Contracts and Compliance Associate III
New York Life Insurance Company, Long-Term Care Division

Company and Contact

Filing Contact Information

Cindy Rutty, Contract & Compliance Associate III	crutty@newyorklifeltc.com
6200 Bridge Point Parkway	800-723-5555 [Phone] 5501 [Ext]
Suite 400	512-703-5564 [FAX]
Austin, TX 78730-5006	

Filing Company Information

New York Life Insurance Company	CoCode: 66915	State of Domicile: New York
6200 Bridge Point Parkway	Group Code: 826	Company Type: Long-Term Care

Suite 400
Austin, TX 78730-5006
(800) 723-5555 ext. [Phone]

Group Name:
FEIN Number: 13-5582869
State ID Number:

Filing Fees

Fee Required?	Yes
Fee Amount:	$50.00
Retaliatory?	Yes
Fee Explanation:	AR Fee
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
New York Life Insurance Company	$50.00	09/02/2010	39208171

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Marie Bennett	09/27/2010	09/27/2010

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	Tax Incentives	Mary Barrett	09/23/2010	09/23/2010

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Request to place a hold on review	Note To Reviewer	Cindy Rutty	09/03/2010	09/03/2010

Disposition

Disposition Date: 09/27/2010
Implementation Date:
Status: Filed
Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number:	*NWLT-126797635*	*State:*	*Arkansas*
Filing Company:	*New York Life Insurance Company*	*State Tracking Number:*	*46697*
Company Tracking Number:	*335916CV (0111)*		
TOI:	*LTC05I Individual Long Term Care - Nursing Home & Home Health Care*	*Sub-TOI:*	*LTC05I.001 Qualified*
Product Name:	*5.0 Select Premier*		
Project Name/Number:	*Tax Incentives/335916CV*		

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Statement of Variability	Filed	Yes
Form *(revised)*	Tax Incentives	Filed	Yes
Form	Tax Incentives	Replaced	Yes

Amendment Letter

Submitted Date: 09/23/2010

Comments:

Thank you for your assistance. The correct form is attached. Please note the form number has been changed form 335916CV to 335916CV (0111).

Your continued review is appreciated.

Changed Items:

Form Schedule Item Changes:

Form Schedule Item Changes:

Form Number	Form Type	Form Name	Action	Form Action Other	Previous Filing #	Replaced Form #	Readability Score	Attachments
335916CV (0111)	Advertising	Tax Incentives	Initial					335916CV (0111).pdf

Note To Reviewer

Created By:

Cindy Rutty on 09/03/2010 11:58 AM

Last Edited By:

Marie Bennett

Submitted On:

09/27/2010 09:56 AM

Subject:

Request to place a hold on review

Comments:

Dear Sir or Madam,

I am writing to ask if you would kindly hold off on reviewing this filing as I anticipate submitting a minor change in a couple of words on the piece. I would notify you next week of the precise word change and would submit the corrected form. If you have questions or concerns, please contact me.

Thank you for your consideration,
Cindy Rutty
512-703-5501
crutty@newyorklifeltc.com

Form Schedule

Lead Form Number: 335916CV

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Filed 09/27/2010	335916CV (0111)	Advertising	Tax Incentives	Initial			335916CV (0111).pdf

Tax Incentives & Long-Term Care Insurance

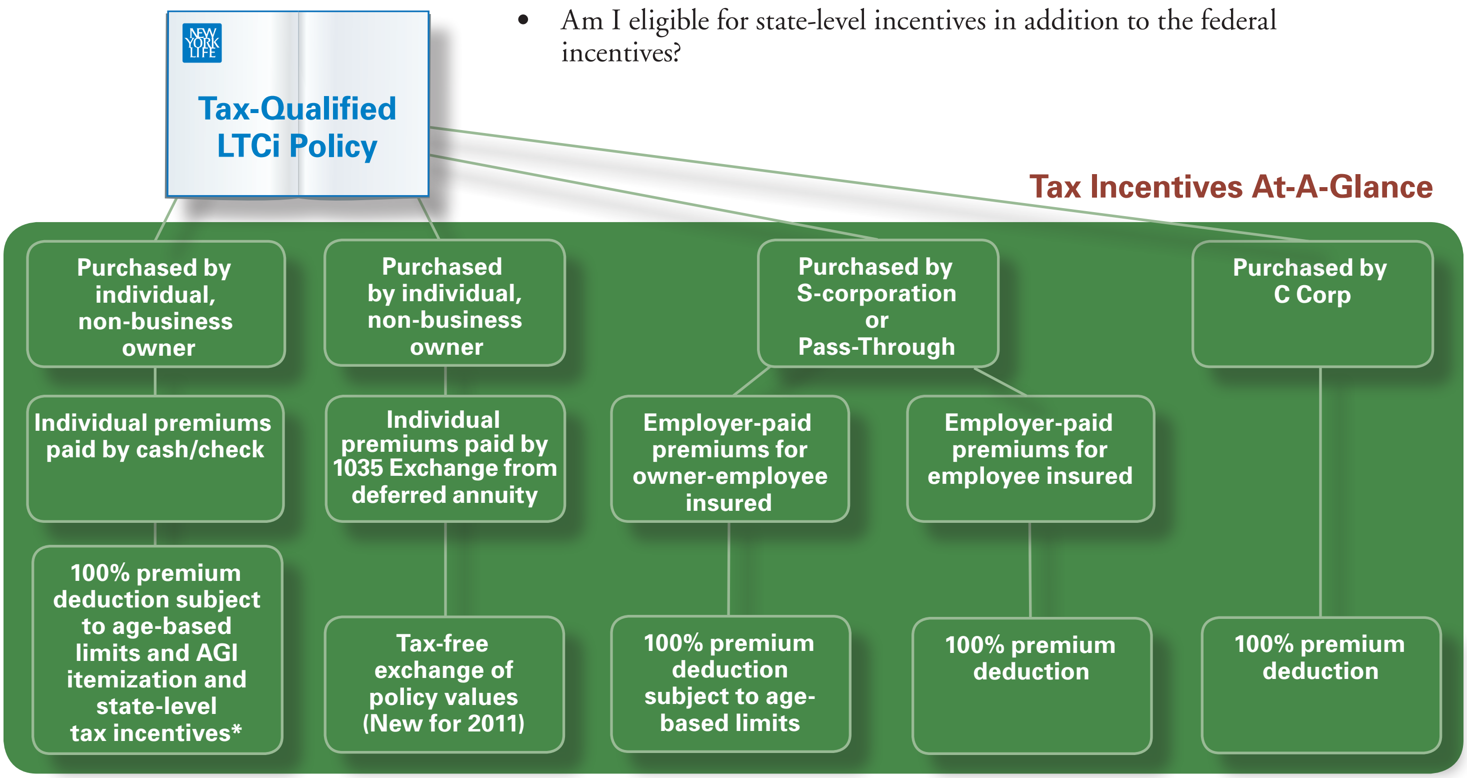
The Company You Keep®

Tax laws at the federal and state levels may provide incentives for individuals and businesses to purchase qualified long-term care insurance policies, with the goal of decreasing the public's reliance upon Medicare and Medicaid as resources for funding long-term care services.

This brochure helps answer these questions and more...

- How do I know if my long-term care insurance (LTCi) policy qualifies for tax incentives?
- Can I pay my LTCi premiums using a 1035 exchange from my non-tax qualified fixed deferred annuity in a tax-advantaged way?
- I pay the premiums for my own policy. Am I eligible for tax incentives?
- Are benefits paid at the time of a claim taxable as income?
- I own my own business. Can I deduct my own LTCi premiums? What about premiums I pay for my employees' policies?
- Our company is considering offering an LTCi plan to our employees. Can we make it available only to executives?
- Can we pay LTCi premiums using pre-tax dollars, like a Section 125 cafeteria plan, or a Health Savings Account (HSA)?
- Am I eligible for state-level incentives in addition to the federal incentives?

Tax Incentives At-A-Glance



* In some states, see tax incentives inside this brochure.

335916CV (0111)

ED 01.01.11

DEFINITION OF A TAX-QUALIFIED LONG-TERM CARE INSURANCE (QLTCi) POLICY[1]

In order to be considered tax-qualified:[2]

- The policy must be guaranteed renewable, meaning that the policy can only be cancelled for non-payment of premiums.
- Benefits under a QLTCi policy cannot duplicate Medicare benefits.
- Nonforfeiture benefits and benefit increase options (inflation protection) must be offered to the applicant at the time of sale, but are not required as part of the policy.
- To claim benefits, the claimant must be certified by a licensed healthcare practitioner as a "chronically ill" individual within the prior 12 months.
- The certification of chronic illness must be based on one or both of the following criteria:
  - The inability to perform, without substantial assistance, at least two of six activities of daily living (ADLs).[3]
  - The need for substantial supervision in order to protect the individual from threats to health and safety due to a severe cognitive impairment.
- The need for long-term care assistance must be expected to last for at least 90 days.

HOW THE LAWS FOR INDIVIDUALS WORK

Individuals Who Itemize Medical Expenses

There is an age-based limit on the amount of premiums for purposes of the QLTCi deduction, which may be less than the actual policy cost.[4]

The age-based limits for [2011] are:

	(maximum deductible premium)
Insured ages 40 and under	$[TBD]
Insured ages 41-50	$[TBD]
Insured ages 51-60	$[TBD]
Insured ages 61-70	$[TBD]
Insured ages 71 and above	$[TBD]

When allowable medical expenses, including QLTCi premiums, exceed 7.5% of the taxpayer's adjusted gross income (AGI), the excess over 7.5% may be deducted. The age-based limits above apply only to the premiums paid for the long-term care insurance policy and do not reflect the maximum total deduction that may be taken by the taxpayer.

Individuals Who Use Health Savings Accounts (HSAs)

Individuals who use HSAs can pay for qualified LTCi using money from HSAs, subject to the AGI limits noted above.[5]

State-Level Tax Incentives for Individuals[6]

State legislatures are recognizing the impact that Medicare and Medicaid service costs have on state budgets, and several states have enacted legislation that encourages private insurance.

Currently, [28] states and the [District of Columbia] offer tax incentives to individuals who purchase long-term care insurance. The incentives in a state may be the same as or different from the federal incentives. These incentives do not apply to business-paid premiums. The list of states with state-level tax deductions is subject to change.

[Alabama]	[Idaho]	[Maine]	[Nebraska]	[Ohio]
[Arkansas]	[Indiana]	[Maryland]	[New Jersey]	[Oregon]
[California]	[Iowa]	[Minnesota]	[New Mexico]	[Virginia]
[Colorado]	[Kansas]	[Mississippi]	[New York]	[West Virginia]
[District of Columbia]	[Kentucky]	[Missouri]	[North Carolina]	[Wisconsin]
[Hawaii]	[Louisiana]	[Montana]	[North Dakota]	

Specific incentives vary by state. Please contact a state Department of Health & Human Services for further information.

1 New York Life's [LTC*Select* Premier] policy is intended to be a tax-qualified long-term care insurance policy.

2 26 IRC Section 7702B(b)

3 The ADLs are bathing, dressing, eating, toileting, transferring, and continence.

4 26 IRC Section 213(d)(10)

5 Internet. U.S. Department of Treasury. HSA Frequently Asked Questions.

6 [ACLI, "Tax Incentives for Long-Term Care Insurance", July 2008.]

Funding Long-Term Care Insurance Using Partial 1035 Exchanges [(New!)] Using a partial 1035 exchange, policyholders may transfer a portion of gains directly from a non-qualified deferred annuity to an insurer to fund LTCi as a tax-free[7] exchange. New York Life will accept non-tax-qualified fixed deferred annuity values via partial Section 1035 exchange as a means to fund premiums for [LTC*Select* Premier,] which is a tax-qualified policy. This presents an opportunity for some annuity holders to use funds that would have been subject to taxes in a tax-advantaged way. Clients can choose to pay a single LTCi premium from a New York Life Insurance and Annuity Corporation (NYLIAC) or other insurer's annuity policy, or they can arrange to have their LTCi policy's annual premium paid from their NYLIAC annuity policy automatically each year. Note that 1035 exchanges may not be advantageous for all clients with annuities. Check with your tax advisor before undertaking a partial 1035 exchange.

Tax Treatment For Businesses

If an employer contributes to the premium cost of QLTCi for eligible employees and dependents pursuant to a plan, the contributions will generally be excludable from the employee's income[8] and generally deductible to the business.[9] The exact rules vary according to the legal status of the business entity.

Employee-Owners of Pass-Through Entities and Sole Proprietorships

If a partnership, S corporation, or limited liability company (LLC) treated as a partnership purchases a QLTCi policy for an employee who is also an owner[10] of the business, the premium is generally considered compensation income deductible to the entity and taxable to the owner-employee. The owner-employee may deduct 100% of the premium subject to the same age-based limits as those applied to individual deductions for QLTCi premiums. Owner-employees are not, however, subject to the 7.5% AGI itemization requirement.

If the policy is purchased by the owner-employee with his or her own funds in his or her own name, then the owner-employee's deduction is generally subject to the 7.5% AGI itemization requirement.

EXCEPTION: If a sole proprietor purchases the policy in his or her own name with his or her own funds, the proprietor may deduct 100% of the premium subject to the age-based limits.

ERISA

Employers should be aware that a QLTCi Plan may be subject to the fiduciary, disclosure, reporting and other requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Employers should consult their legal advisors regarding the possible ERISA implications of adopting a QLTCi Plan and whether there is an applicable exemption from ERISA coverage for the QLTCi Plan.

7 California has passed a law (S.401) stating that they are not recognizing the changes enacted under the PPA for California state tax purposes. As a result, partial Section 1035 exchanges in California from annuities that are used to pay the premiums for long-term care insurance policies will likely be subject to state tax, even though they are tax-free for federal tax purposes.

C Corporations

A C corporation is considered a stand-alone entity for legal and tax purposes, therefore the officers and owners of a C corporation may be treated as employees. For this reason, **business-paid premiums** for officers and owners are **100% deductible to the business,** just as they are for any other employees. The premium is not considered compensation income.[11]

The QLTCi coverage need not conform to Internal Revenue Code non-discrimination requirements as long as the company can prove the creation of a "plan of insurance" designed to benefit some or all employees[12] other than just owners and officers.

The QLTCi plan may be offered to retired employees, eligible dependents of employees and retirees, including dependent parents, and surviving eligible dependents after an employee's death.[13]

Employee-paid premiums for QLTCi coverage, such as those collected through a voluntary payroll deduction plan, are considered taxable income and may not be included in a Section 125[14] plan or a flexible spending account.[15] This means that the employer may not use salary reduction dollars to pay its premium contribution.[16]

8 26 IRC Section 106(a)

9 26 IRC Section 162(a)

10 An owner (or "owner-employee") is generally a partner, an LLC member, or an individual who owns 2% or more of the S corporation.

11 26 IRC Section 106(a)

12 26 IRC Sections 105 and 106

13 26 IRC Section 105(b), 152(a)

14 26 IRC Section 125(f)

15 26 IRC Section 106(c)

16 26 IRC Section 106(a)

New York Life Insurance Company

51 Madison Avenue
New York, NY 10010

Long-Term Care Insurance Division
6200 Bridge Point Parkway, Suite 400
Austin, TX 78730

1-800-224-4582
www.newyorklife.com

[The purpose of this brochure is solicitation of insurance. An insurance producer may contact you. Long-term care insurance is issued on policy form series ILTC-5000 and INH-5000 with a state identifier [xx], where applicable and edition date. These policies may have exclusions and limitations.]

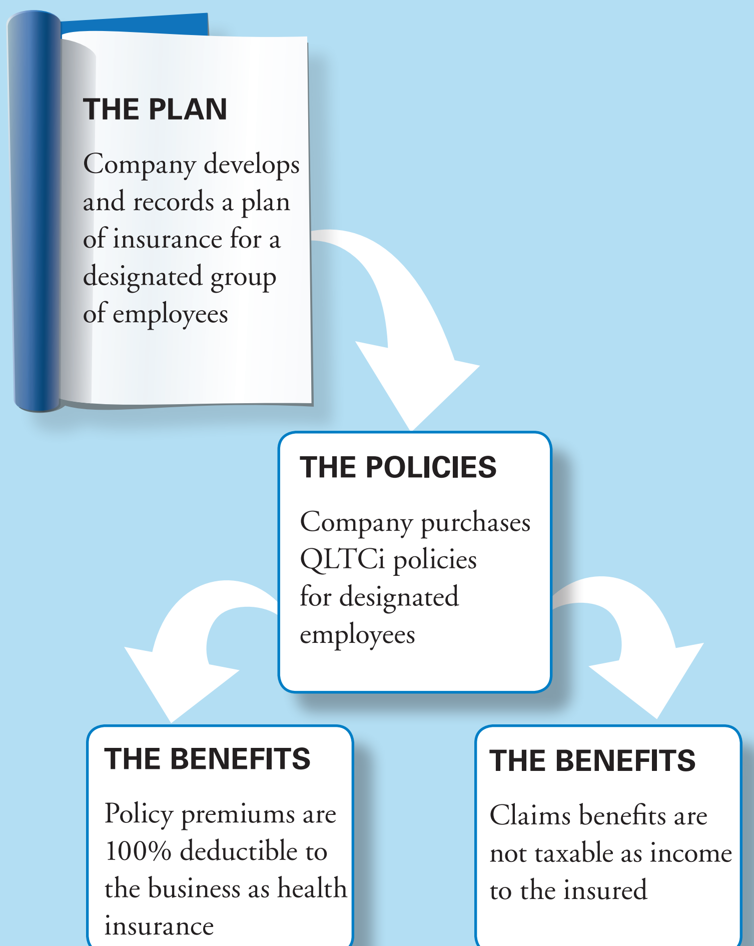
EXECUTIVE CARVE-OUT ARRANGEMENTS

In an executive carve-out arrangement, the company purchases a QLTCi for a key employee, his/her dependents, and/or company retirees.

Long-term care insurance policy benefits are generally not subject to the Internal Revenue Code's nondiscrimination rules. Employers have the option to pay all or some of employees' policy premiums and can offer multiple programs in a single worksite, for example, an executive carve-out arrangement combined with a voluntary program. The policy premiums are deductible to the business as health insurance and are not taxable to the insured as income. (Tax results may vary depending on the legal structure of the business.)

The policy benefits, when received, are not taxable as income to the insured. Long-term care insurance may be one of the only financial vehicles that offers tax incentives on both ends – tax-deductible premiums and tax-free benefits!

Individually-underwritten QLTCi policies, such as are offered by New York Life, are fully portable with no change in benefits or premiums should the executive leave the company or should the company discontinue the plan of insurance.



335916CV (0111) ED. 01.2011

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Statement of Variability	Filed	09/27/2010

Comments:

Attachment:

Statement of Variability Tax Incentives CP.pdf

Statement of Variability – 335916CV ED 01.01.11

Form Number	Form Title	Section	Bracketed	Reason
335916CV	Tax Incentives	How the Laws for Individuals Work	2011	So that we may update the year
		How the Laws for Individuals Work	TBD	Limits are to be determined based on information that will become available in Dec. 2010. We may update the limits in the future when new information becomes available.
		State-Level Tax Incentives for Individuals	28	This number may vary depending on tax applicability in each state.
		State-Level Tax Incentives for Individuals	District of Columbia	In case we need to remove DC in the event they enact new legislation affecting their tax incentives.
		State-Level Tax Incentives for Individuals	List of States	So that we may add or delete states in the event they enact new or revised legislation affecting their tax incentives.
		Footnote	LTC*Select* Premier	To allow for use with other policy series as necessary.
		Footnote	ACLI, "Tax Incentives for Long-Term Care Insurance", July 2008.	To allow us to update the source as new sources of this information are published.
		Funding Long-Term Care Insurance Using Partial 1035 Exchanges	(New!)	So that we may remove for additional reprints following initial release on January 1, 2011.
		Funding Long-Term Care Insurance Using Partial 1035 Exchanges	LTC*Select* Premier	To allow for use with other policy series as necessary.
		Disclosure	Disclosure	Will be removed for internal use only purpose of employee or agent training.
		Disclosure	State Identifier within Disclosure	Will be used only if required by state and may include a list of states.
		Copyright	Copyright	To update the year in the future.

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
09/01/2010	Form	Tax Incentives	09/23/2010	335916CV_Tax Incentives_2010.pdf (Superceded)

Tax Incentives & Long-Term Care Insurance

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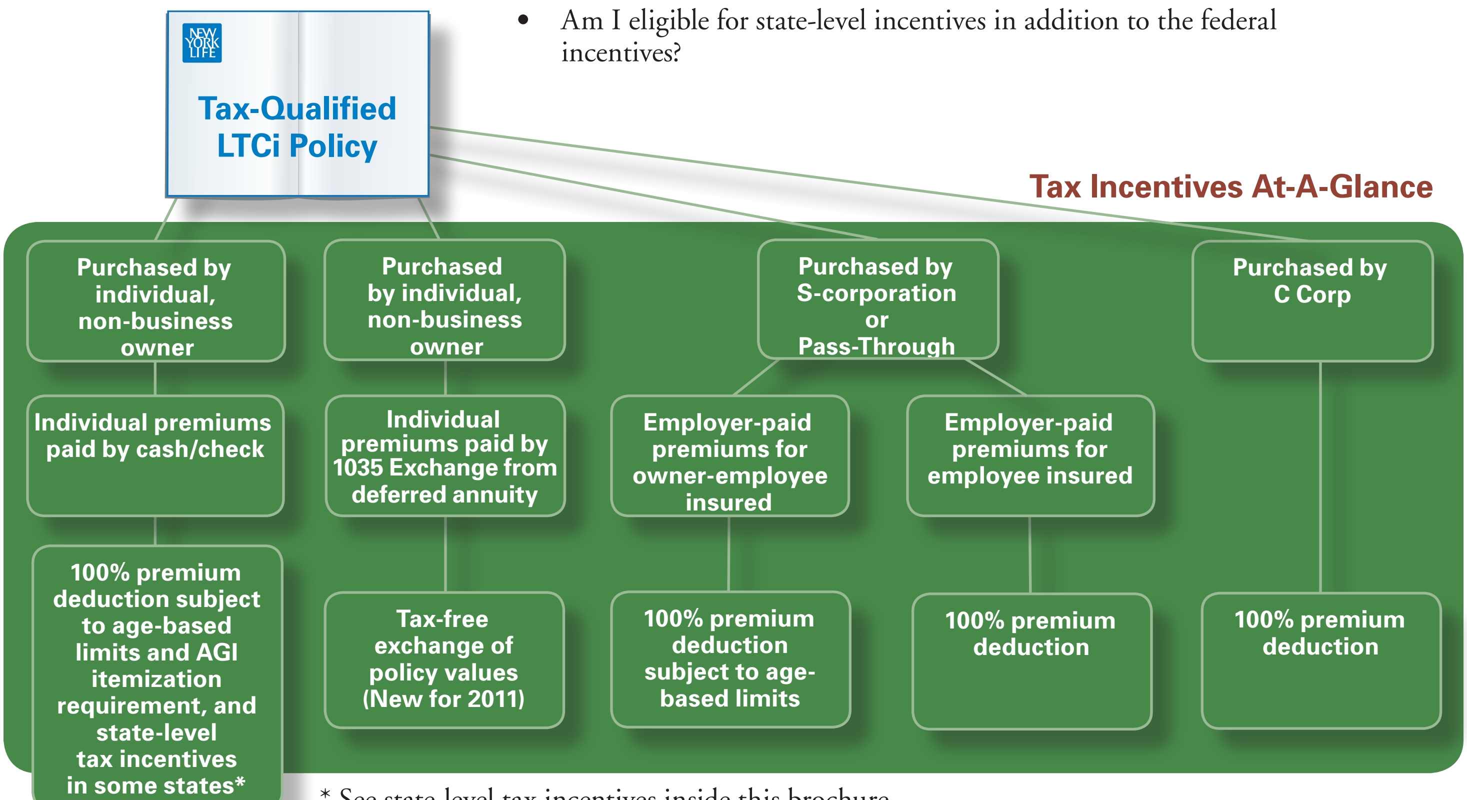
Tax Incentives At-A-Glance



* See state-level tax incentives inside this brochure

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14 26 IRC Section 125(f)

15 26 IRC Section 106(c)

16 26 IRC Section 106(a)

New York Life Insurance Company

51 Madison Avenue
New York, NY 10010

Long-Term Care Insurance Division
6200 Bridge Point Parkway, Suite 400
Austin, TX 78730

1-800-224-4582
www.newyorklife.com

[The purpose of this brochure is solicitation of insurance. An insurance producer may contact you. Long-term care insurance is issued on policy form series ILTC-5000 and INH-5000 with a state identifier [xx], where applicable and edition date. These policies may have exclusions and limitations.]

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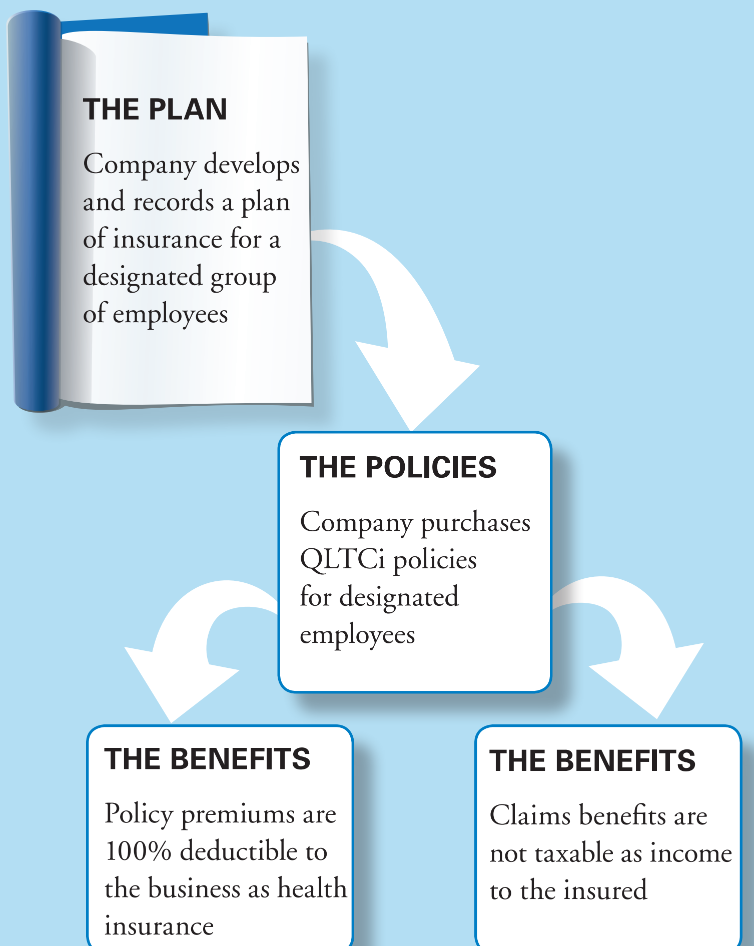
The policy benefits, when received, are not taxable as income to the insured. Long-term care insurance may be one of the only financial vehicles that offers tax incentives on both ends – tax-deductible premiums and tax-free benefits!

Individually-underwritten QLTCi policies, such as are offered by New York Life, are fully portable with no change in benefits or premiums should the executive leave the company or should the company discontinue the plan of insurance.



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