

The Lincoln Leader

July 30, 2018 – Vol. 16, Issue 13

LIFE INSURANCE

Now Available - New Foreign National Resources

- Introduce your foreign national clients to Lincoln... in their own language! Order a client one-pager from the Lincoln Literature Fulfillment Center that discusses: Lincoln's financial strength, what Lincoln provides, and how to qualify.
Now available in English, Spanish, Japanese, and Simplified and Traditional Chinese.
 - English: LIF-FN-FLI003
 - Spanish: LIF-FN-FLI006
 - Japanese: LIF-FN-FLI007
 - Simplified Chinese: LIF-FN-FLI009
 - Traditional Chinese: LIF-FN-FLI008
- Watch a brainshark overview of the foreign national market opportunity and Lincoln's rules and resources:
<http://www.brainshark.com/lfg/vu?pi=zFlzNEBc6zjZlZ0>
- Contact your Lincoln wholesaler to customize and send one of these emails to the agents you work with to get them thinking about the opportunities in the foreign national market.
 - Lincoln Foreign National Resources email: UW-FN-OML001
 - Email advertising the Case Submission Guide: LIF-FN-OML007
 - Email advertising the translated pieces: LIF-FN-OML009

And, don't forget the other resources we have available, including:

- Infographic for agents: LIF-FN-FLI002
- Case studies in the Life Insurance Playbook, see page 23:
www.lfg.com/LifeInsurancePlaybook
- Foreign National Underwriting Guidelines: UW-FN-BRC001
- Foreign National Pre-submission Worksheet: LF11386

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Using Dividends to Pay Premium to Improve the Customer Experience

Lincoln is committed to continuously improving the end-to-end experience we deliver to our customers including the way we help customers manage their policies.

As part of this commitment, to pay their required premium payment, Lincoln participating Whole Life policy owners may:

- Surrender all or a portion of the paid-up additional insurance (PUA)
- Withdraw dividends on deposit
- Request to use dividends to pay a portion of the required premium and submit a check for the difference.

Generally, dividends and PUAs surrendered and retained by Lincoln to pay the premium are not treated as distributions from the contract. As a result, the surrendered PUAs and dividends do not affect the cost basis and are not includible in the gross income of the policyholder.

Lincoln must receive policyholder requests in writing at least five business days in advance of the policy anniversary to allow time to ensure the request is in good order and no other requirements are needed for processing. Since policies update each month on the policy anniversary, most requests are processed the day after the policy anniversary.

Please send all requests to Lincoln Financial, P.O. Box 21008, Greensboro, NC 27420-1008. For additional questions, please contact Jim Rooney at Jim.Rooney@lfg.com.

Loan Pay-Off Using Policy Values Prior to 1035 Exchange – Tax Impact

As a reminder, there are tax reporting implications that all policyholders should be aware of for planned 1035 exchanges (internal or external) that may include a loan carryover. Three common scenarios and the impact to policyholders are outlined below.

The carrier accepts a loan carryover:

- The releasing carrier will report the 1035 exchange on a Form 1099-R with zero taxable amount in Box 2 as an exchange with a loan carryover is not a taxable event.

The carrier does not accept loan carryover:

- The policyholder will pay off the loan before the exchange is processed or following the exchange or as part of the exchange.
- Generally, when an owner exchanges like-for-like property and receives “other money or property” as part of the exchange, the other money or property is considered “boot” and is includable in the owner’s gross income to the extent of gain in the property.
- When the existing loan is paid-off using policy values prior to or immediately following the exchange and both transactions are part of the same unitary plan, the amount used to pay off the loan is considered “boot” and is taxable to the extent of gain in the contract.
- When an existing loan is paid-off with policy values in a separate, unrelated transaction, Lincoln will not report the amount used to pay off the loan as “boot.”
- The policyholder will receive a Form 1099-R to report the exchange and any amounts includable in the gross income.

Exchange with refund of excess premium:

- Excess amounts refunded as part of an exchange constitute taxable “boot” and Lincoln will issue a Form 1099-R to report the refund of excess premium as taxable to the extent of gain in the policy.

For additional questions, please contact Jim Rooney at Jim.Rooney@lfg.com.

Health Insurance License MAY BE Optional for Sale of Long-Term Care: 50-State Life and Annuity LTC Education Chart Updated

A health insurance license will not be required to sell Long-Term Care if the license is no longer required by the state. This amendment to our training guidelines has no effect on the initial and ongoing training that is required to solicit Long-Term Care products.

Click [here](#) to reference the state-by-state **Life and Annuity LTC Education** chart for information on the updated state-specific requirements.

New Medical Exam Vendor

Reprinted from the Lincoln Life Leader, July 16, 2018

Effective August 13, 2018, Lincoln is pleased to announce the onboarding of a new medical exam vendor for life insurance cases, **Insurance Medical Services, Inc. (IMS)**. IMS was established 25 years ago and is a privately-held company headquartered in Fremont, California.

An Overview of IMS

- Open 24 hours per day, 7 days per week
- Fully centralized operation to help reduce turn-around-times, on average 7 days or less
- Quality Control process is implemented on ALL exams completed
- Exam Assist offers multi-language support to help break language barriers and interpret exams
- Daily email reminders for case status updates and client birthday notifications
- Certified with Better Business Bureau with an A+ rating
- All medical examiners have extensive experience and must complete a thorough Examiner Training Program

Getting Started

To begin using IMS, our partners can sign up directly on their website at <https://www.imsparmed.com> or by calling IMS at 877.808.5533.

Bringing on **IMS** as a new vendor will offer our partners another option for conducting their medical exams. You can access the full list of approved vendors [here](#).

Enhancements to Receiving Status on Pending Cases

Reprinted from the Lincoln Life Leader, July 9, 2018

Lincoln is committed to continuously improving our processes to ensure we’re providing an excellent experience for our customers. We are pleased to introduce three enhancements to the New Business Pending process, which will launch in the coming weeks. These changes will drive efficiencies and save time by increasing the speed in which our partners receive a status update on case requirements and provide new, easier ways to communicate with a Lincoln New Business Associate.

Recently Launched and Coming Soon...

July 19	Click-to-Chat with a New Business Associate
August 13	Faster Receipt of Requirements
August 13	Pending Detail Communications

Chat with Us – An Easier Way to Communicate on Your Life Pending Cases

Effective July 19, 2018, Lincoln introduced **Chat with Us**, a new way for our partners to communicate with a New Business Associate (NBA) on pending cases. This new feature allows our partners to chat in real-time with a Lincoln NBA through Lincoln’s pending website to obtain answers on administrative questions for a specific case, without having to pick up the phone or send an email.

What you need to know

- **Chat with Us** will be available on the Pending Detail tab within the pending website
- Available during standard business hours: Monday-Friday, 8:00a.m.-5:00p.m. ET
- A Lincoln NBA will be available to answer routine administrative questions on the specific case in the Pending Details view
- For questions on multiple cases, exception requests, or questions directed to an underwriter, please contact the assigned Underwriter or New Business Associate captured in the contact information field
- Applies to individual Term, UL, Indexed UL, and VUL business only, not currently available for Lincoln MoneyGuard®

New and Quicker Status Updates on Pending Requirements

Effective August 13, 2018, Lincoln will be improving the Receipt of Requirements process for Pending Cases. Currently, it can take 2-3 business days for Lincoln's systems to update a status and show any requirements as **received**, regardless of submission method. With this new enhancement, you will now see acknowledgement of receipt of requirements within **an average of 4 hours**.

Key Benefits and Impact

- Applies to ALL methods of receiving pending case information: Automatic Emails, Pending Website, Pending Feeds
- For requirements received on or after August 13, status will update within **an average of 4 hours**
- Drives efficiencies for Agent and Lincoln Financial Group
 - Saves agent time by reducing the need for routine follow up calls to Lincoln to verify receipt of an outstanding requirement
 - Enables Lincoln New Business Associates to spend more time focusing on more complex pending case questions
- New status label **Awaiting Review** – indicates that a requirement has been received by Lincoln and is currently pending review by New Business and/or Underwriting
- New requirements will be in **bold font**
- Applies to ALL products in the individual Life Insurance Product Portfolio (Term, UL, Indexed UL, VUL) and Lincoln *MoneyGuard*®


Pending Website Updates

The screenshot displays a web interface for a pending case. At the top, there is a header with a plus icon and the text "Completed requirements (1)". Below this, the interface is divided into several sections:

- Billing information:** Modal Premium: \$274.50, Cash With App: \$0.00, Target/Annualized Premium: \$274.50.
- Contact information:** Underwriter: TermAccel Underwriting Team; New Business Contact: Ryan LaValley, with links for "Send Email" and "Send File(s)".
- Policy information:** Type: Life, LOB: TERM, Plan: Lincoln TermAccel 15, Face Amount: \$500,000.00, Input Date: 01/09/2018, Policy Date: 01/09/2018, Last Activity Date: 05/02/2018, Issue State: NC, Policy Status: PENDING, Benefits Information: (empty).
- Agent information:** Agent: Valued Agent, Agent Number: 1234567, Split: 100%.

Two chat prompts are visible, each with a speech bubble icon and the text "Chat With Us (8:00-5:00 ET). Use this link to chat with an NBA to answer administrative questions you have on this case." One prompt is located near the Contact information section, and the other is near the Agent information section.

Pending Email Updates



Client Information

Insured Name(s): Valued Client

Agent Name(s): Valued Agent

Underwriting Contact:

Name: Valued Underwriter

Email: First.Last@LFG.com

Direct Phone: 123-456-7890

Case Information

Policy Number: UL1234567

Status: Submitted

New Business Associate Contact:

Name: Valued NBA

Email: First.Last@LFG.com

The initial review has been completed. Please provide the outstanding requirements for issue listed below. As a reminder the requirements are also available on our pending website.

Requirement	Comment	Status:
Underwriting Requirements Needed:		
Motor Vehicle Report		Needed for Issue
Signed Application Part I	ICC15LFF10800 Application for Life Insurance	Needed for Issue
Defined Age Supplement COD		Needed for Placement
Beneficiary	Beneficiary Information	Awaiting Review
Declaration of Insurability	Supplemental Application (DOI)	Awaiting Review
Administrative Requirements Needed:		
HIV Form	BJ-8167B HIV Notice and Consent	Needed for Issue
Temporary Insurance Agreement	ICC16LFF11524 Temporary Insurance Agreement	Needed for Issue
Agent Attestation Form		Needed for Placement
Signed ABR Disclosure Stmt	BJF-00749A Disclosure Statement for Accelerated Benefits Rider	Needed for File Completion
HIPAA Authorization	LF02896 Authorization for Release of Information	Awaiting Review
Balance Due		Awaiting Review

Thank you for choosing Lincoln Financial for your life insurance needs.

Valued NBA
Business Tester
New Business
You're In ChargeSM

Find us on facebook: www.facebook.com/LincolnFinancialGroup

**New
Requirements
in Bold**

**New Status Label
'Awaiting Review'**

Quickly Email an Update on a Pending Case

Along with the Receipt of Requirements enhancement, **effective August 13, 2018**, our partners will have the ability to quickly satisfy outstanding questions on a case from the Pending Details tab. With this enhancement, you can provide information on requirements through the **Email Message** feature on the Pending Details tab for a specific case. This message will automatically be sent directly to the assigned New Business Associate or Underwriter for your case.

Pending Details

The screenshot displays the 'Pending Details' interface for Lincoln Financial Group. It is divided into three main sections: Billing information, Contact information, and Policy information. The Billing section shows a Modal Premium of \$1,200.00, Cash With App of \$0.00, and a Target/Annualized Premium of \$1,200.00. The Contact section lists the Underwriter as John Underwriter and the New Business Contact as Jane NBA. Both have 'Send Email' and 'Send File(s)' buttons, with the 'Send Email' buttons highlighted by red boxes. A chat link for 'Chat With Us (8:00-5:00 ET)' is also present. A modal titled 'Email message' is open in the foreground, showing a form to send an email to Joe Underwriter. The form includes fields for additional email addresses, a subject line, and a message body. The subject line is 'Abga, Wendy - Abga, Jacob - Policy #UL1234567 (Secure)'. The message body contains the text 'I have validated that Anderson is the correct spelling of the last name on the policy. Thank you.' There is a checkbox for 'Send copy of this email to myself at 3bagent10a@lfg.com' which is checked. The modal has 'SEND' and 'Cancel' buttons at the bottom.

Billing information

Modal Premium: \$1,200.00
Cash With App: \$0.00
Target/Annualized Premium: \$1,200.00

Contact information

Underwriter: John Underwriter
New Business Contact: Jane NBA

Send Email **Send File(s)** **Send Email** **Send File(s)**

Policy information

Email message

To: Joe Underwriter<Joe.Underwriter@lfg.com>

Enter additional email addresses

Enter email addresses of additional recipients, separated by comma (optional)

From: 3bagent10a@lfg.com

Subject: Abga, Wendy - Abga, Jacob - Policy #UL1234567 (Secure)

Enter your message here

I have validated that Anderson is the correct spelling of the last name on the policy. Thank you.

Please don't include any confidential or personal information, such as Social Security Numbers and credit card numbers. Maximum characters allowed is 2,000. Don't copy and paste text into box. Your message shouldn't contain HTML or special characters.

☒ Send copy of this email to myself at 3bagent10a@lfg.com

SEND Cancel

State Approvals

Updates from July 16, 2018

Initial Rollout of:

Lincoln LifeElements® Level Term (2017) - 07/16/18

Lincoln WealthAccumulateSM IUL (2018) – 05/14/18

- **District of Columbia**

[View State Availability Grids](#)

Products and features subject to state availability. Guarantees are subject to the financial strength of the insurer. Lincoln Financial Group is the marketing name for The Lincoln National Corporation and its affiliates.

Insurance policies are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN. **The Lincoln National Life Insurance Company (Lincoln) does not solicit business in the state of New York, nor is it authorized to do so. Contractual obligations are subject to the claims-paying ability of The Lincoln National Life Insurance Company.**

Insurance policies sold in New York are issued by Lincoln Life & Annuity Company of New York, Syracuse, NY. **The contractual obligations are subject to the claims-paying ability of Lincoln Life & Annuity Company of New York (Lincoln).**

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker-dealer and/or insurance agency selling the policy, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuer.

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.

[View index of past Lincoln Life Leader articles](#)

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