

LONG TERM CARE INSURANCE

LONG TERM CARE INSURANCE For All Employees and Dependents

Purpose

Nearly 1 in 4 American households (23% or 22.4 million households) is involved in providing care to persons aged 50 or over.* 2 out of 5 people receiving long term care are under the age of 65.**

The average nursing home stay costs close to \$56,000 per year, while bringing an aide into your home just 3 times a week can easily cost \$1,000 a month.*** Health insurance doesn't cover these costs. Long term care insurance funds these costs and prevents needed care from decimating your assets and your family's well-being.

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- * You select a Daily Benefit from \$30 to \$300 per day.
- * You choose the minimum period to receive benefits: 2, 3, 4, 5, 6 or 10 years, or Lifetime.
- * Benefits begin after an Elimination Period, a one-time number of days you would pay for care before your policy benefits are payable. Your choices are 20, 30, 60, 90, 180 or 365 days.
- * Available as an Employer-paid group benefit.
- * Available as a Voluntary Employee-paid benefit.

Benefits

Benefits are payable when you are chronically ill. Chronically ill means you are unable to perform at least 2 Activities of Daily Living (ADLs) -- such as bathing, dressing, toileting, transferring, continence and eating -- without substantial assistance, or that you suffer from severe cognitive impairment, requiring substantial supervision to protect you from threats to your health and safety. The ADL loss must be expected to last for at least 90 days

Benefits are payable regardless of where you receive care -- either in a long term care facility or at home.

DAILY BENEFIT -- The Daily Benefit amount you selected, from \$30 to \$300 per day.

In addition to the DAILY BENEFIT, the following ADDED BENEFITS are included:

RESPIRE CARE -- Respite Care provides relief for your caregiver by paying for someone else to take care of you when you are chronically ill but not currently receiving benefits under the policy.

BED RESERVATION -- If you are receiving benefits under the policy and your stay in a long term care facility is temporarily interrupted, such as hospitalization, the policy will pay the Daily Benefit to be sure your room will be available when you return.

WAIVER OF PREMIUM -- Once you have satisfied your Elimination Period and have begun receiving benefits, your premium will be waived.

ADDITIONAL CARE BENEFIT -- This benefit provides \$5,000 over the life of the policy to pay for special equipment, home modifications, special services or caregiver training designed to assist you in living at home or other residential housing.

GUARANTEED RENEWABLE -- As long as you pay your premiums on time, your coverage can never be canceled. Premiums may be changed for all similar policies issued in your state.

* Family Caregiver Alliance, March 20, 2002

** Health Insurance Association of America (HIAA), "Guide to Long Term Care Insurance" 2002

*** "Most Americans Unprepared for Long Term Care Costs" AARP News Release, December 1, 2001