



**Underwritten by: Unum Life  
Insurance Company of America**

The purpose of this communication is the solicitation of insurance. Contact will be made by an insurance agent or insurance company.

# Group long term care insurance

What employees need to know

# What is long term care?

## Care that is required when someone:

### ▶ Needs assistance with the basic Activities of Daily Living (ADLs):

- Bathing
- Dressing
- Toileting
- Transferring
- Contenance
- Eating

### ▶ Suffers severe cognitive impairment

- Such as Alzheimer's

## The need for this care can be triggered by:

- ▶ Aging
- ▶ An accident
- ▶ A catastrophic illness, like a stroke



# The cost of long term care

▶ A \$250,000 nest egg could be depleted in less than four years of nursing home care.

## National average median rates for care:<sup>1</sup>

Home Health aide	\$21 per hour
Assisted living	\$3,190 per month (\$38,280 per year)
Nursing home (private room)	\$225 per day (\$82,125 per year)

**Only 9% of Americans say they are very confident they would have enough money to pay for long term care expenses in retirement.<sup>2</sup>**

1 American Association for Long Term Care Insurance, "The 2011 Sourcebook for LTCI Information," September 2011.

2 Employee Benefits Research Institute, "2011 Retirement Confidence Survey," by Ruth Helman, Mathew Greenwald & Associates, and Craig Copeland and Jack VanDerhei,, March 2011.

## How could this benefit help financially?

Based on the national averages for care, a long term care benefit of \$3,000 per month could be used this way:<sup>1</sup>

### Home health

\$36,000	Annual benefit from Unum
<u>– \$27,300*</u>	Home health aide (\$21/hr)
\$8,700	Left for out-of-pocket expenses

\*Based on receiving care five hours a day/five days a week at \$21/hour. For illustrative purposes only.

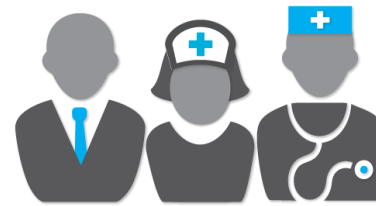
1 American Association for Long Term Care Insurance, "The 2011 Sourcebook for LTCI Information," September 2011.

# Where can I receive care?

## ▶ Total Choice home care



## ▶ Assisted living facility



## ▶ Professional home care



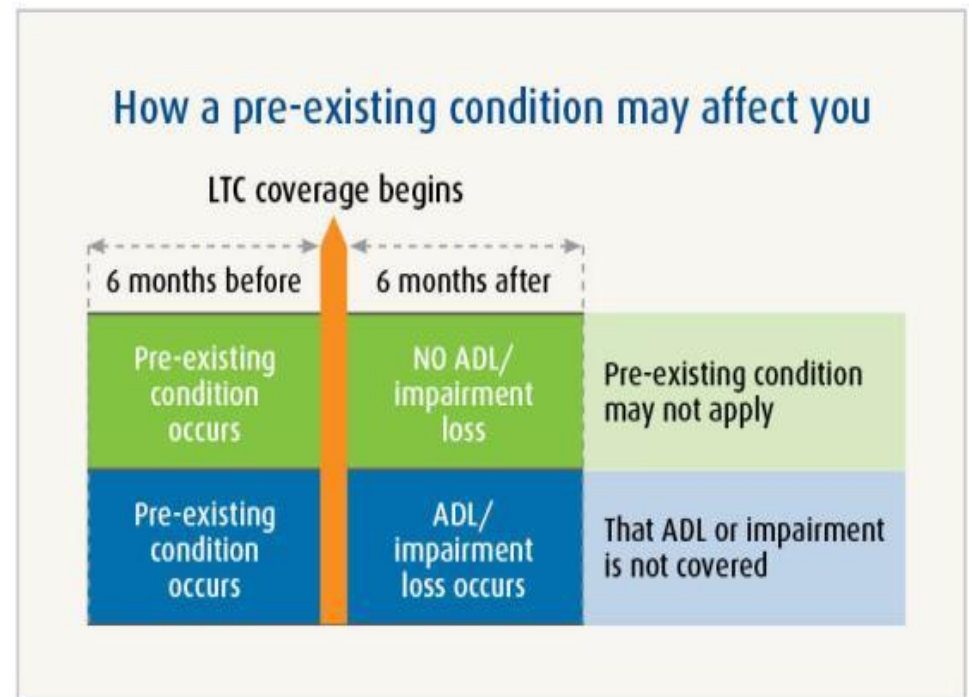
## ▶ Long term care facility



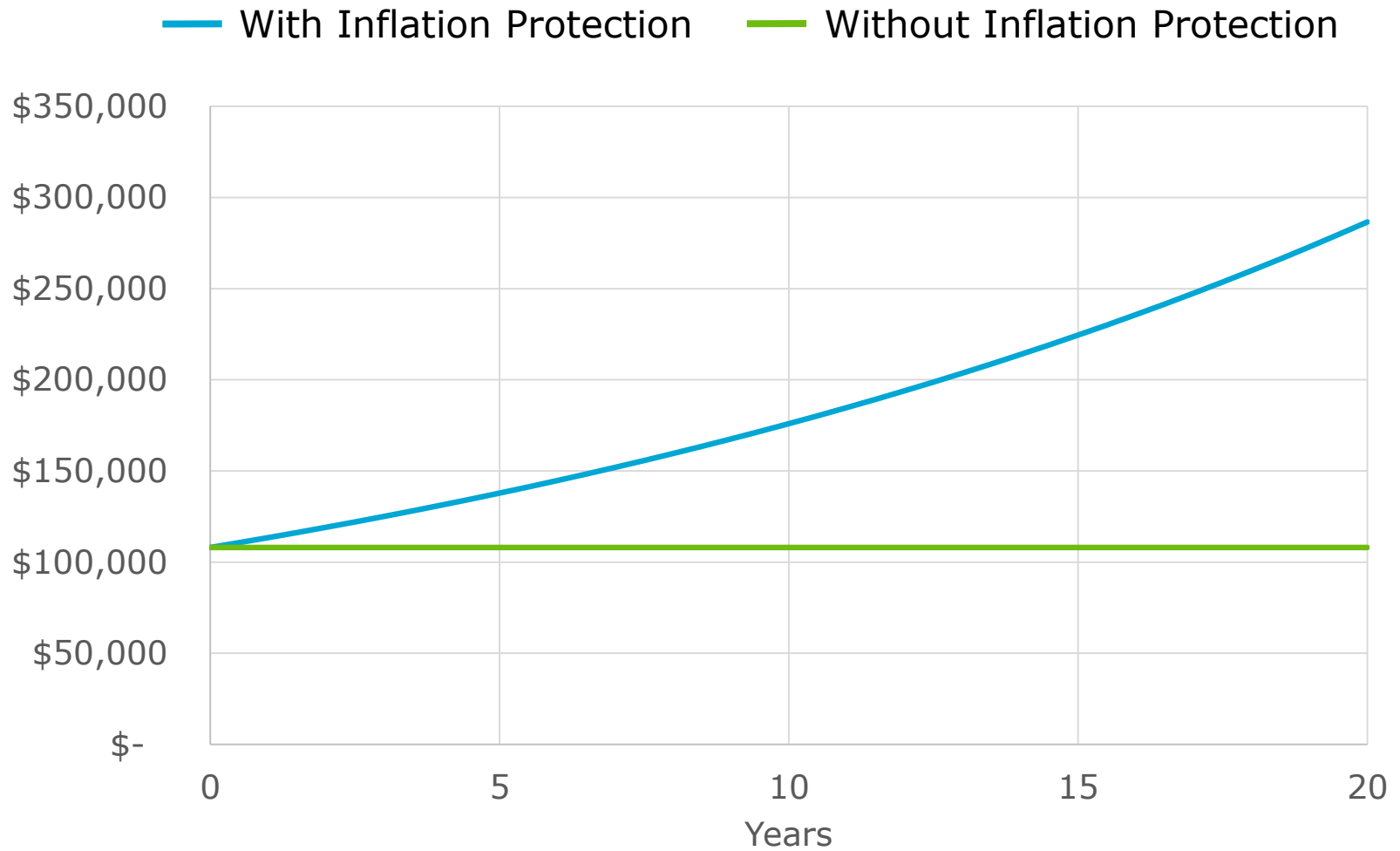
## Pre-existing condition exclusion

**A pre-existing condition is** medical advice, treatment, care, or services that were received or recommended **six months** prior to your coverage effective date. This includes consultation, diagnostic measures, or prescription drugs.

- ▶ Benefits will not be paid for an impairment that occurs in the first **six months** after your coverage effective date if the Activities of Daily Living loss or severe cognitive impairment is caused by, contributed to by, or results from a pre-existing condition. †



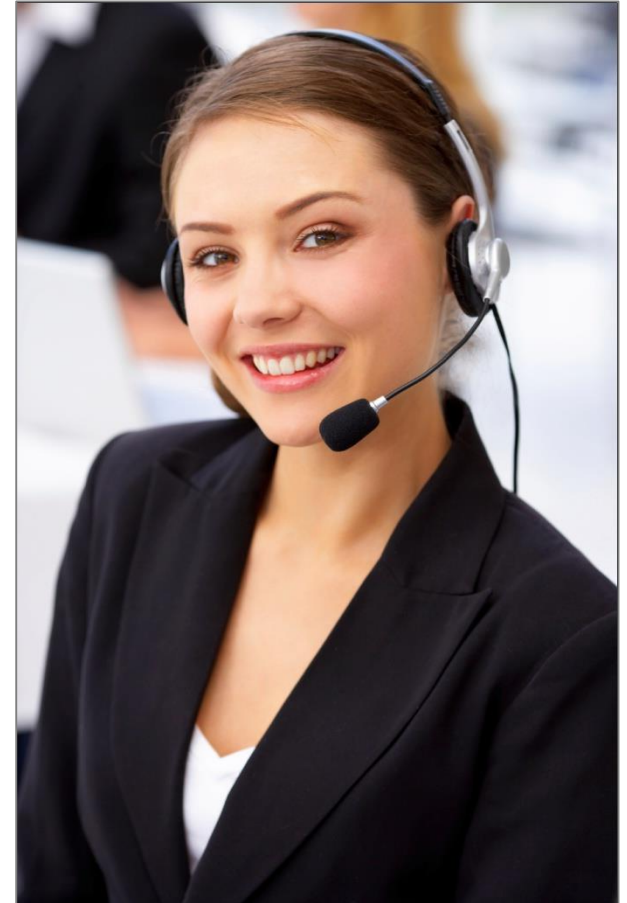
# Inflation protection option



For illustrative purposes only.  
Additional premium is charged for this option.

## LTC Connect® – Additional help for caregivers

- ▶ Trained information specialists
- ▶ Confidential and impartial help
- ▶ Toll-free access
- ▶ No additional cost and no obligation
- ▶ Quick answers on related long term care topics
- ▶ Discount on long term care facilities and equipment



LTC Connect® is provided by Life Plans, Inc. and is available with select Unum long term care insurance offerings. Exclusions, limitations and prior notice requirements may apply, and service features, terms and eligibility criteria are subject to change. The service is not valid after termination of coverage and may be withdrawn at any time. LTC Connect® is not a Guaranteed service and may be discontinued at any time. Discounts may vary. Please contact your Unum representative for full details.



## How do I apply for this coverage?

- ▶ Go to Your Unum OEGB website at [www.unuminfo.com/OEGB](http://www.unuminfo.com/OEGB)
- ▶ Choose your:
  1. Plan design
  2. Benefit amount
  3. Benefit duration
- ▶ Complete your benefit election form
- ▶ Complete your evidence of insurability form



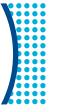
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This information is not intended to be a complete description of the insurance coverage available. The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. For complete details of coverage and availability, please refer to Policy Forms GLTC04 and RGLTC04 or contact your Unum representative.

Long term care insurance is underwritten by:  
Unum Life Insurance Company of America, 2211 Congress Street, Portland, Maine 04122

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# Who controls your future?

Be prepared with long term care insurance from Unum.

## Your life, your choice

There are plenty of decisions to make for retirement...

- Fishing or golf?
- Motor home or long-awaited cruise?
- A house at the beach — or close to the grandchildren?



**Long term care insurance may help you avoid a far more difficult decision:** whether to exhaust your savings or liquidate your assets to pay for a period of long term care. This policy may help you be prepared for the financial realities and help you maintain control of some important decisions, such as:

- Who would take care of me?
- Where can I choose to receive care?
- Would I be a burden on my children if my savings couldn't cover my care?

## What is long term care?

Whether it's due to a motorcycle accident or a serious illness, it is the type of care you may need if you couldn't independently perform the basic activities of daily living: bathing, dressing, using the toilet, transferring from one location to another, continence and eating, or if you suffered severe cognitive impairment from a condition such as Alzheimer's disease.

## Who's at risk?

Long term care insurance is not just for the elderly.

- 40% of people currently receiving long term care are working-age adults 18 to 64 years old.<sup>1</sup>
- About 70% of individuals over age 65 will require some type of long term care services during their lifetime.<sup>2</sup>
- By 2020, 12 million people are projected to need long term care.<sup>3</sup>

## How does this coverage help?

Here are some examples of how you may use a long term care benefit of \$3,000 per month, based on the national averages for care:<sup>4</sup>



Home health:	
• Long term care annual benefit	\$36,000
• Home health aide (\$18.50/hour)	- \$24,050/year*
• Left over for out-of-pocket expenses	= \$11,950
Assisted living:	
• Long term care annual benefit	\$36,000
• Assisted living (\$2,825.25/month)	- \$33,903/year
• Left over for out-of-pocket expenses	= \$2,097
Private nursing home:	
• Long term care annual benefit	\$36,000
• Private nursing home (\$203.31/day)	- \$74,208.15/year
• The cost of care that you will pay out of pocket	= -\$38,208.15

\*Based on receiving care five hours a day/five days a week at \$18.50/hour. For illustrative purposes only.

## How to apply

As an active employee, retiree or qualifying family member, you may be eligible for this valuable insurance coverage. To obtain more information, please visit your company's infosite at: [www.unuminfo.com/OEBB](http://www.unuminfo.com/OEBB). This infosite contains all necessary enrollment materials for you to enroll in Long Term Care coverage. If you prefer your enrollment materials to be printed and shipped to your home address, please call: 1-800-227-4165.



# Get the coverage you need.

## Won't my other insurance pay for long term care?

Unfortunately, no.

- Medical insurance and Medicare are designed to pay for specific care for acute conditions — not for long term help with daily living.
- Medicaid only helps with long term care expenses after you have depleted virtually all of your assets. The exact amount varies by state but usually leaves just a few thousand dollars in total assets.

Only long term care insurance may cover those costs and allow you to maintain as much of your assets as possible.

## Do I need to be in a nursing home to use my LTC insurance?

All Unum plans include a home health option. This allows you to use your benefit to pay for an aide to come to your home, so you can remain in your residence as long as possible. For an extra premium, some plans allow you to pay a family member or friend to take care of you.

## Why buy now?

People often buy long term care insurance at an early age, because the younger you are, the more affordable the rates.

In fact, 63% of the people who buy group LTC insurance are under age 55.<sup>5</sup>

## Why buy coverage at work?

1. You may get more affordable rates when you buy this coverage through your employer and you may extend your coverage to your parents and spouse.

2. Depending on your plan, you may be able to pay your premiums through convenient payroll deduction.

3. Your employer has selected coverage from Unum, the leading provider of group LTC insurance for employees in the U.S.<sup>6</sup>

## Additional help for caregivers

Even if you don't need long term care in the immediate future, you may be a caregiver for someone you love. Your plan includes LTC Connect® service, which gives you access to counselors who can help you find long term care providers in your area, a support group, or other assistance you may need. This service also provides discounts for medical equipment such as walkers, hearing aids, wheelchairs, and other related needs.

<sup>1,2,3</sup> U.S. Department of Health and Human Services, "National Clearinghouse for Long-Term Care Information," updated October 2008. Available at: [http://www.longtermcare.gov/LTC/Main\\_Site/Understanding\\_Long\\_Term\\_Care/Basics/Basics.aspx](http://www.longtermcare.gov/LTC/Main_Site/Understanding_Long_Term_Care/Basics/Basics.aspx), cited November 17, 2009.

<sup>4</sup> Genworth Financial, "2009 Cost of Care Study," April 2009.

<sup>5</sup> American Association for Long Term Care Insurance, "2008 LTCI Sourcebook," February 2008.

<sup>6</sup> LIMRA, 2008 Group LTC Report, 2009. Based on inforce cases. Excluding federal and California-specific Group LTC plans, Unum also ranks first in number of employees enrolled.

Nursing home care based on 24-hour care for one year. Assisted living based on 12 months care. Home care based on five hours of care per day, five days per week for Non-Medicaid Certified home health aide services.

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