Long Term Care

A Benefit Opportunity
for

Special Education District of Lake County
SEDOL

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What is Long Term Care?

- Care provided by another individual because:
- They are unable to completely care for themselves
- Supportive medical, personal & social services
- Needed to meet basic living needs for extended period

What is Long Term Care?

- Long Term Care Includes care which is either:
  - Skilled
  - Intermediate, or
  - Custodial

Definition of LTC Disability

- Activities of Daily Living
  - Bathing
  - Dressing
  - Eating
  - Toileting
  - Transferring
  - Continence

and/or

- Severe Cognitive Impairment

Long Term Care:
Is Your Family Protected?

Long Term Care Risk

1 in 2



Facts at a Glance

- The cost of LTC in a nursing home ranges from $55,000 to $110,000. The national average is $69,800 per year. A substantial share of nursing home residents finance their LTC by paying out of pocket.
- 78% of LTC is provided at home or in the community. Professional home care may cost upwards of $54,000/year and costs are rising as more individuals choose to receive care in the home.

"The Juggling Act" Understanding the Obligation

"Initially I didn't think I'd have to modify anything (at work), but as time wore on, I did…"

Caregivers often underestimate the time required for caregiving and the impact of their obligation on their work

Wage & Retirement Loss Significant Impact

- “I had to go on part-time right away because of the surgery my father had”
- Responsibilities at home can result in lost promotions and training at work
- In addition to strained current income, caregivers’ retirement savings suffer as well
- Reduced discretionary income = reduced lifestyle

Long Term Care:
Is Your Family Protected?

Medicare Nursing Home Benefits
(following 3-day Hospitalization)

- Days 1-20 — All Costs At 100%
- Days 21-100 — 100% after daily co-pay
- Days 100+ — Nothing

SKILLED CARE ONLY

(average 23 days)

Long Term Care:
Is Your Family Protected?

Medicaid (MediCal) Limitations

- Below $2,000* in Assets
- Look Back Audit
- No Cap on Penalty Period
- Mandated Estate Recovery
- LIMITED CHOICES

*some states vary slightly

Long Term Care:
Is Your Family Protected?

Waiting Period
(Elimination Period)

The number of days you will pay (or wait) before the policy begins paying.



Long Term Care:
Is Your Family Protected?

Daily or Monthly Benefit

The amount of money the policy can pay each day or month you need care.

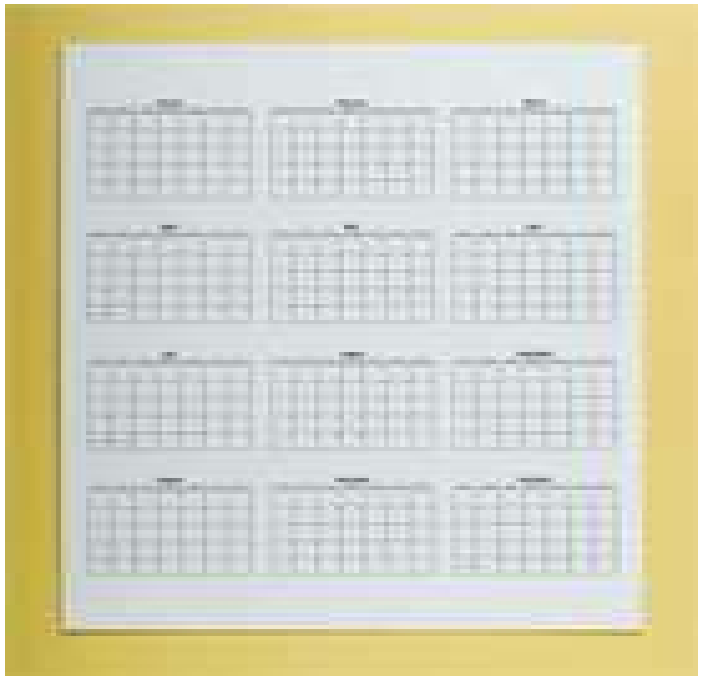


Long Term Care:
Is Your Family Protected?

Benefit Period

(Benefit Maximum)

The length of time you can receive benefits, or the amount of money you have for benefits.



Long Term Care:
Is Your Family Protected?

Waiver of Premium

Your premium may
stop during a claim.



Optional Features:

- Inflation – Compound
- Shortened Benefit Period

Inflation Rider
$3000 Benefit

ANNUAL	MONTHLY	DAILY
36,000	3,000	100
37,800	3,150	105
39,690	3,308	110
41,675	3,473	116
43,759	3,647	122
45,947	3,829	128
48,244	4,020	134
50,656	4,221	141
53,189	4,432	148
55,848	4,654	155
58,640	4,887	163
61,572	5,131	171
64,651	5,388	180
67,884	5,657	189
71,278	5,940	198
74,842	6,237	208
78,584	6,549	218
82,513	6,876	229
86,639	7,220	240
90,971	7,581	252
95,520	7,960	265
100,296	8,358	278
105,311	8,776	292
110,577	9,215	307
116,106	9,675	322

Inflation Rider
$4000 Benefit

ANNUAL	MONTHLY	DAILY
48,000	4,000	133
50,400	4,200	140
52,920	4,410	147
55,566	4,631	154
58,344	4,862	161
61,262	5,105	169
64,325	5,360	178
67,541	5,628	187
70,918	5,910	196
74,464	6,205	206
78,187	6,515	216
82,096	6,841	227
86,201	7,183	238
90,511	7,542	250
95,036	7,919	262
99,788	8,315	275
104,777	8,731	289
110,016	9,167	303
115,517	9,626	318
121,293	10,107	334
127,357	10,612	351
133,725	11,143	368
140,411	11,700	387
147,432	12,285	406
154,803	12,899	426

Inflation Rider
$5000 Benefit

ANNUAL	MONTHLY	DAILY
60,000	5,000	167
63,000	5,250	175
66,150	5,513	184
69,457	5,788	193
72,931	6,078	203
76,577	6,381	213
80,406	6,700	224
84,426	7,035	235
88,647	7,387	246
93,079	7,756	259
97,733	8,144	272
102,620	8,551	285
107,751	8,979	299
113,138	9,428	314
118,795	9,899	330
124,735	10,394	346
130,972	10,914	364
137,520	11,459	382
144,396	12,032	401
151,616	12,634	421
159,197	13,265	442
167,156	13,928	464
175,514	14,625	487
184,290	15,356	511
193,504	16,124	537

Inflation Rider
$6000 Benefit

ANNUAL	MONTHLY	DAILY
72,000	6,000	200
75,600	6,300	210
79,380	6,615	221
83,349	6,945	232
87,516	7,294	244
91,892	7,658	256
96,486	8,041	269
101,311	8,443	282
106,377	8,865	296
111,696	9,308	311
117,281	9,773	327
123,145	10,263	343
129,302	10,775	360
135,767	11,314	378
142,555	11,880	397
149,683	12,474	417
157,167	13,098	438
165,025	13,753	460
173,276	14,441	483
181,940	15,163	507
191,034	15,921	532
200,589	16,217	554
210,618	17,553	587
221,149	18,431	616
232.206	19,353	647

Shortened Benefits Period (Non-forfeiture Option)

- If you stop making premium payments after your policy has been in force for at least three full years from the policy effective date shown in your policy schedule, you will be eligible for a non-forfeiture benefit. This means your policy would continue automatically with the same level of benefits. This non-forfeiture benefit will be equal to the total premium paid to the date you stopped paying premiums, reduced by the total amount already paid to you.

Additional Features of Your LTC Benefits Program

- Reimbursement or Indemnity Benefits
- Flexibility of Home Care – Alternative Care Provision
- Waiver of Premium
- LTC Connect-Support Services Network & claim integration
- “Stand – By” vs. “Substantial” Assistance

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY 825
PLAN HIGHLIGHTS / SCHEDULE OF BENEFITS

Your Long Term Care (LTC) insurance plan is listed below.

Elimination Period: Your plan's Elimination Period of 90 consecutive days is the amount of time you must wait before benefits become payable. This time period must be satisfied only once during the life of your plan.

Newly Hired Employees – once eligible for the plan, you will have 30 days to sign up for Guarantee Issue coverage. Please check with your employer for your effective date.

All Active Employees & Newly Hired Employees – who enroll after the Guarantee Issue enrollment period or choose benefits over the Guarantee Issue limits will be required to fill out a medical questionnaire.

Medical Underwriting Effective Date – The effective date for those applicants passing medical underwriting between the 1st and 15th of the month is the first of the month following their date of approval. For those approved between the 16th and the end of the month, their effective date is the first of the second month following their date of approval.

Medical Underwriting means that you must answer all questions on a medical questionnaire. In some cases, an interview may also be necessary.

Delayed Effective Date – If you are absent from work because you are injured, sick, temporarily laid off or on a leave of absence, your coverage will not begin on your otherwise expected effective date.

Medical Underwriting for Employees and Family: (Completion of the Benefit Election Form is required for enrollment) As an **employee** you are eligible for benefit amounts on a Guarantee Issue basis of up to and including $6,000 and a Facility Benefit Duration of 3 or 6 years. This does not require completion of the Long Term Care Insurance Application (medical questionnaire) if you apply during your initial eligibility period. The Long Term Care Insurance Application (medical questionnaire) is required if enrolling after your initial eligibility period or if you choose to buy $7,000, $8,000 or the Unlimited Duration coverage. Retirees and all **family members** must complete the Benefit Election form, the Long Term Care Insurance Application (medical questionnaire) and must be approved for coverage in order to enroll in the Long Term Care plan. **All** Medical Questionnaires must accompany a signed return of the Authorization to request Medical Information Form #6720-03 located in the kit.

Benefit Duration	3 Years	6 Years	Unlimited Duration
Facility Benefit Amount **Per $1,000 Increments**	$1,000 to $8,000	$1,000 to $8,000	$1,000 to $8,000
Assisted Living Facility Percent	60%	60%	60%
Lifetime Maximum **Per $1,000 Increments**	$36,000	$72,000	Unlimited
Non Forfeiture	Shortened Benefit Period	Shortened Benefit Period	Shortened Benefit Period
Professional Home Care	50%	50%	50%
Total Home Care - **Option**	50%	50%	50%
Inflation Protection - **Option**	Compound Uncapped	Compound Uncapped	Compound Uncapped

** If you selected an inflation option, and you terminate that inflation option at a future date, you can purchase the inflated coverage amount at your original age.*

Lifetime Maximum: The Lifetime Maximum is the maximum benefit dollar amount UNUM will pay over the life of your coverage. This dollar amount is based on the Facility Benefit Amount and Benefit Duration. *For Example: If you choose $3,000 Facility Monthly Benefit Amount & 3 Year Duration, your Lifetime Maximum is calculated as follows, $3,000 per Month X 12 Months X 3 Years = $108,000 Lifetime Maximum*

Insurance Age: Insurance Age is used to determine the cost of your coverage. Insurance Age is your age on the plan effective date if you enroll for coverage prior to the plan effective date. If you enroll for coverage on or after the plan effective date, insurance age is your age on the date you sign the enrollment form.

Underwritten by:
Unum Life Insurance Company of America

Better benefits at work.

Welcome

to the site created specifically for

Special Education District of Lake County 825

How To Use This Website

Who controls your future?

Be prepared with long term care insurance from Unum.

Long term care insurance

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

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.[1]
- About 70% of individuals over age 65 will require some type of long term care services during their lifetime.[2]
- By 2020, 12 million people are projected to need long term care.[3]

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:[4]



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.

NEXT >