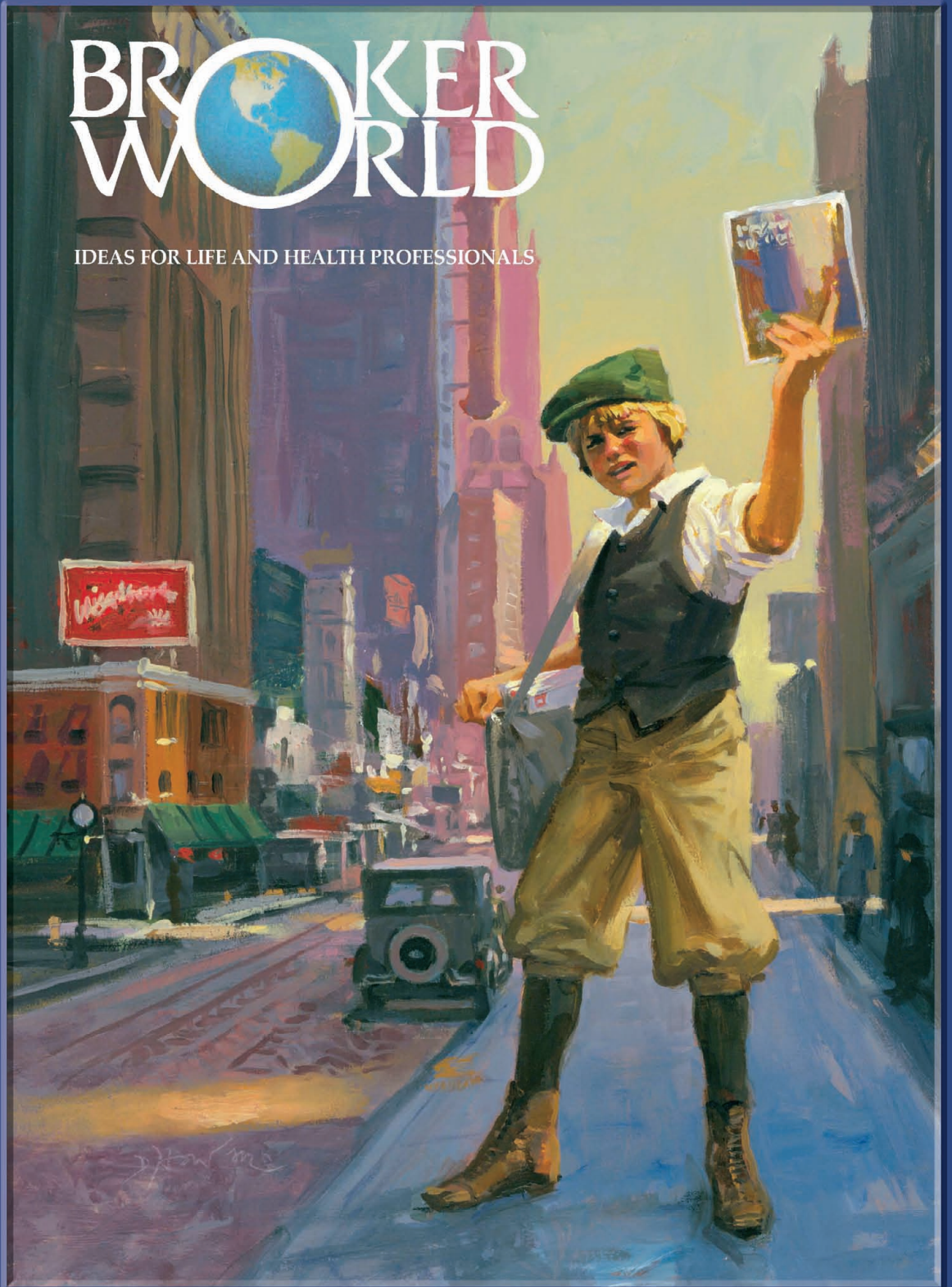


Individual Long Term Care Survey

2010

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IDEAS FOR LIFE AND HEALTH PROFESSIONALS



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2010 Individual Long Term Care Insurance Survey

This 2010 Individual Long Term Care Insurance Survey is the twelfth consecutive annual review of individual long term care insurance (LTCI) published by BROKER WORLD magazine. This year's survey was conducted by Milliman, Inc.

The survey's objectives are to provide a consolidated comparison of available products, report data regarding sales and analyze the changing LTCI marketplace.

Highlights From This Year's Survey

- **LTCI annual premium for individual policy sales decreased in 2009.** Twenty participating carriers sold 196,370 policies for \$428,506,015 of new paid annualized stand-alone LTCI in 2009—20 percent fewer policies and 21 percent less annualized premium than the same 20 carriers sold in 2008. These sales figures do not include sales from future purchase options or upgrades on existing policies.

- **The industry sold 21 single premium policies for a total of \$432,766, most of which was sold by carriers participating in this survey.** Single premium sales more than doubled compared to 2008.

- **We estimate that the entire LTCI industry sold 225,000 annual premium individual policies for \$480 million of annualized premium, down 24 percent from 2008.** Carriers participating in this survey represent 90 percent of 2009 sales. Approximately 7 percent of 2009 sales were

made by companies which have discontinued selling LTCI. The balance was sold by insurers that still sell LTCI but chose not to participate in this survey.

- **Survey participants covered 3,303,339 lives on in-force individual policies, up 1.7 percent.** In-force annualized premium increased to a greater degree (4.2 percent) because of (1) older policies with lower premiums terminating, (2) future purchase options and other increases in coverage being added, and (3) premium increases on new and in-force business.

- **Fifteen participants reported having paid over \$2.3 billion (\$2,310,659,767) in 2009 and over \$15 billion (\$15,040,407,735) since they've been in the LTCI business.** Clearly the LTCI industry has made a big difference for many families.

- **Claims distributions for 2009 were as follows:** nursing homes—44.4 percent; assisted living facilities—14.1 percent; and home care and adult day care—41.5 per-

cent. The dollar amount of 2009 claims was distributed as follows: nursing homes—45.5 percent; assisted living facilities—24.9 percent; and home care and adult day care—29.6 percent. Of course, industry-wide, the percentage of nursing home claims is significantly higher because carriers that are out of the business have a higher percentage of older facility-only coverages than our participants.

- **The original four partnership states (CA, CT, IN and NY), which produced 100 percent of partnership sales as recently as 2006, produced only 26 percent of partnership policies in 2009.** However, the four original states produced 31 percent of partnership premium, presumably because the cost of facility care tends to be higher in those states. For more partnership data, see the “Market Perspective” section on page 38.

About the Survey

The survey displays information on 35 products from 19 carriers. American General is new to the industry and survey in 2010. On the other hand, Allianz, Equitable L&C, and Minnesota Life, which contributed to the 2009 survey, have discontinued sales, hence did not participate this year. Other companies which discontinued sales in 2009 include the Great American family (Great American, Loyal American, and United Teachers Associates) and UnitedHealth Care. UNUM, a long term contributor to these surveys, discontinued individual LTCI sales in 2009, but continues to be a major player in the group LTCI market. Northwestern’s product is not displayed, but it has contributed to the industry statistical analysis herein.

Only three carriers (American General, Bankers Life and Casualty, and State Farm) are displaying new products this year; however, several carriers modified their programs (*most commonly, the design of their multi-life programs*), while continuing to sell the same policy forms.

This article is arranged in the following sections:

- **Market Perspective** provides insights into the individual LTCI market.
- **Statistical Analysis** presents industry-

level sales characteristics.

- **Product Details** (see page 8) provides a row-by-row definition and analysis of the product exhibit beginning on page 10.

- **Premium Exhibit Details** (see page 27) explains the basis for the product-specific premium rate exhibit.

Unless otherwise noted, the data does not include group LTCI, combination products or sales outside the United States.

Market Perspective

- **With the exception of 2007, sales of individual LTCI have been in a slump for several years.** LTCI is viewed as an expensive buying decision, one that can be delayed amid economic instability and uncertainty regarding the country’s health care financing.

- **The economic crisis has encouraged a greater amount of saving and a greater awareness of the need for protection against future economic uncertainty.** As the economy rebounds and people become more confident of being able to commit to an ongoing LTCI premium, a rebound in LTCI sales could occur.

- **Health care reform legislation in 2010 included the CLASS Act, which establishes a government-run LTCI program beginning in 2013.** Many younger prospects might be inclined to “wait and see” what happens in 2013. Other people may view such a program as the first step of increasing government commitment. They may justify ignoring their potential LTC needs on the theory that, by the time they need care, the government will provide their care for free or on a subsidized basis.

- **As of January 1, 2010, the participants sold partnership products in an average of 18 states (up from 11 states a year ago).** The range increased from zero to 20 last year to zero to 28 states as of January 1, 2010.

- **Sixty-three percent of the policies in the new partnership states were partnership policies,** whereas only 41 percent of the policies in the original partnership states were partnership policies. Some participants reported 100 percent partnership sales in some jurisdictions. The partnership percentage in the new states will increase

for at least one reason—in portions of 2009, these policies were not yet available in some of the new participating states. (In states in which the new partnerships were effective prior to July 2008, 67 percent of the 2009 policies sold were partnership, whereas in the states where the partnership became effective between July 2008 and June 2009, only 59 percent of the sales were partnership policies.) In the new states, the average premium was 25 percent higher than the average non-partnership premium, whereas this differential was only 4 percent in the original states. The differences mentioned in this paragraph are attributable to the fact that many policies with level premium compound benefit increases do not count as partnership policies in the original participating states.

- **Despite the advent of the new state partnerships, the 2009 data shows some signs of benefit increase provisions shifting toward fixed future purchase options and the no increase option.** More information about this aspect of LTCI is described in the “Statistical Analysis” section.

- **Multi-life sales (individual policies sold through employers or other groups) accounted for 25.7 percent of new policies sold in 2009—more than twice the 2007 percentage.** The average premium for association business is \$2,053 and for employer business is \$1,813, compared to an average premium of \$2,182 for all sales included in this survey.

- **Business tax incentives should become even more attractive as most people expect income tax and payroll tax rates to increase.** However, individual tax incentives will reduce with the threshold for deductibility of medical and dental expenses increasing to 10 percent in 2013 (later for seniors).

- **The Pension Protection Act of 2006 ushered in some potentially key changes as of January 1, 2010.** The expansion of 1035 exchanges should spur the sales of single premium life/LTCI combinations, annuity/LTCI combinations and single premium stand-alone LTCI. It may also spur the funding of inforce and new LTCI policies with payouts from existing or

**Table 1
Participant Ranking by Annualized
LTCI Premium (U.S. \$ in Millions)**

Rank	Carrier	2009 Individual Sales
1	John Hancock	\$116.1
2	Genworth	107.5
3	Northwestern	36.7
4	MetLife	36.3
5	Bankers Life & Casualty	26.6
6	New York Life	21.3
7	Prudential	17.9
8	MassMutual	13.1
9	Mutual of Omaha/ United of Omaha	12.7
10	Berkshire	12.6
11	State Farm	11.1

**Table 2
Average Issue Age**

Year	Age
2004	61.3
2005	58.6
2006	58.0
2007	58.1
2008	57.7
2009	58.0

new immediate and deferred annuities.

Statistical Analysis

In reviewing the statistical trends revealed below, it is important to recognize that characteristics of sales vary significantly from one insurer to another. Hence, variations in results from one year to the next may reflect a change in which insurers participate in the survey as well as an underlying change in the industry's sales patterns.

• Market Share

This trend toward market share consolidation among the largest carriers stalled somewhat in 2009 (perhaps temporarily). The top two carriers' market share (in terms of premium) increased from 46 to 47

**Table 3
Distribution of Sales by Issue Age**

Age Group	2009	2008	2007
18-29	1.1%	0.9%	0.8%
30-34	1.3	1.1	1.0
35-39	1.8	2.0	1.8
40-44	3.3	3.4	3.3
45-49	7.2	8.0	8.2
50-54	15.5	16.3	15.3
55-59	23.5	24.3	24.6
60-64	24.2	23.5	23.1
65-69	13.7	12.6	12.8
70-74	5.1	4.8	5.3
75-79	2.3	2.3	2.7
80-84	0.9	0.7	1.0
Over 84	0.1	0.1	0.1

percent, but the top three carriers produced 55 percent of first-year premium, compared to 57 percent in 2008. The top 10 carriers (shown in Table 1) constituted 84 percent of the market individual LTCI.

Table 1 lists participants that sold more than \$10 million of new paid annualized individual premium in 2009. John Hancock passed Genworth in 2009, and Northwestern passed MetLife for third position. Mutual of Omaha and Berkshire also moved up.

• Characteristics of Policies Sold

Average Premium and Persistency. Ignoring single premium sales, the average premium per new policy dropped 1.3 percent from \$2,210 in 2008 to \$2,182 in 2009, reversing a long term trend of increasing average premium. The range narrowed, the lowest average premium/policy for a participant being \$1,074, while the highest was \$3,843. The average premium per new purchasing unit (i.e., one person or a couple) also decreased from \$3,174 to \$3,078.

The year-end in-force premium represents 97 percent of the sum of participants' prior year in-force premium plus their 2009 sales. The same calculation for number of lives insured was 95.7 percent. Our calculation understates persistency of the previous

**Table 4
Distribution of Sales
By Benefit Period (BP)**

BP Years	2009	2008	2007	2006	2005
<2	3.0%	3.6%	2.9%	3.0%	3.8%
2	9.9	9.4	9.9	10.2	10.6
3	25.6	24.7	23.6	23.8	21.6
4	13.8	15.3	14.8	14.9	13.0
5	16.7	20.0	18.9	15.3	11.5
6	8.5	5.6	5.6	6.3	7.1
7	0.6	0.9	0.8	0.9	0.4
8	3.4	4.4	3.9	3.3	3.4
9	0.1	0.0	0.0	0.0	0.0
10	2.3	2.9	3.4	2.4	2.2
>10 (Not LT)	0.8	0.8	0.5	NA	NA
Lifetime (LT)	15.2	12.4	15.7	19.8	26.0

year's in force because we presume that no 2009 sales terminated by year end. The average in-force policy premium for participants increased from \$1,803 to \$1,840. These premium figures reflect premium increases on in-force policies and the exercise of future purchase options.

Issue Age. Average issue age increased back to the 2006-2007 range, indicating that last year's number apparently was an aberration (see Table 2). Approximately 75 percent of the insurers who participated both last year and this year reported an older age distribution in 2009, with an overall age increase of 0.7 years among those carriers. The increase in issue age is particularly noteworthy given the increase in multi-life sales.

As shown in Table 3, the percentage of sales at ages under 35 and from 60 through 69 were greater than in either 2007 or 2008.

For in-force policies, the average issue age was 60.7, down 0.1 from 2008.

Benefit Period. Despite the data in Table 4, lifetime benefit period (BP) continued to be less common. The increase in lifetime BP from 12.4 to 15.2 percent of sales is attributable to a change in carriers contributing to the survey. For companies that participated in both the 2009 and 2010 surveys, lifetime

BP sales dropped from 11.5 percent of sales to 10.4 percent of sales.

Similarly, the change in carriers muted the increase in short BPs. Among carriers that contributed in both years, the percentage of policies issued with a three-year or shorter BP increased from 38.2 to 41.1 percent.

The average BP of fixed-benefit period policies dropped slightly to 4.2 years.

Most policies issued with a shared care feature cause the average BP to understate the amount of protection that has been issued. If two four-year BP policies are shared, each is counted as a "four-year" BP policy. While the combined benefit period is limited to eight years, either insured could use more than four years, so the value of the coverage is understated.

When a couple purchases four-year BP policies and a third pool with an additional BP of four years, they are also counted as "four-year" policies, but either person has access to as much as eight years of benefit, and the total maximum is 12 years. However, there is an overstatement in protection when an eight-year joint shared policy is sold; each insured is counted as having an eight-year benefit period, but together they have only eight years.

Three participating insurers offer BPs of less than two years, other than as may be required in original partnership states. At the other extreme, 74 percent of the displayed products offer a lifetime BP. In 2004, 97.5 percent of the displayed policies offered a lifetime BP.

Nonetheless, seven carriers reported that lifetime benefit period sales were more frequent than any other benefit period.

Maximum Daily Benefit. As shown in Table 5, the percentage of sales with \$200 or more maximum daily benefit continues to increase. Next year, we'll subdivide the "\$200 and above" sales. The apparent increase in sales between \$50 and \$99 is attributable to a change in the participating insurers this year. The average maximum daily benefit continues to be about \$150 a day.

Benefit Increase Features. Despite the increasing availability of partnership poli-

cies, sales in 2009 showed some weakening in the quality of inflation protection, but to a much lesser degree than Table 6 suggests. Despite the economy, increasing prices (particularly for benefit increase features) and new products promoting less robust benefit increases, the distribution of sales remained surprisingly weighted to robust benefit increase features in 2007 and 2008.

In 2009, sales from carriers that participated in both the 2009 and 2010 surveys shifted toward "fixed future purchase options" and "no increase option" (combined, those categories increased from 18.2 percent to 20.1 percent of sales) and away from lifetime level premium increases (5 percent compound, 5 percent simple and CPI sales, which, on a combined basis, dropped from 75 percent to 72 percent of sales).

This year's "other" category consists of deferred benefit increase features sold by three carriers. These features allow purchasers to add a level premium compound benefit increase within five years of issue as long as they have not been on claim. To the degree that clients do not exercise those options, these policies essentially belong in the "no increase" category. On the other hand, to the degree that clients exercise those options, the policies will approach level premium permanent fixed increase policies in terms of performance.

A shift in statistical contributors this year caused a large increase in FPOs and a decrease in sales of step-rated products (premiums increase when benefits increase in the future, but much less steeply than with attained age pricing).

Elimination Period. The average facility elimination period (EP) for new policies dropped from 84 days in 2008 to 82.3 days in 2009, due to a change in distribution of carriers, which caused the large increase in policies issued with a 31-89 day EP shown in Table 7. The percent of policies that were issued with a zero-day home care EP coupled with longer facility EP dropped from 25 to 19.2 percent, partly due to a change in carriers participating this year.

Sales to Couples and Gender Distribution. Fifty-seven percent of buyers were couples both buying in 2009 compared to 60.7 percent in 2008. Another 17.6 percent were reported as a one-of-a-couple purchase, compared to 16.5 percent in 2008. The remaining 25 percent (22.8 percent in 2008) were reported to be single.

One important point is that most companies that do not offer one-of-a-couple discounts cannot separate such sales from sales to single people. Carriers that offer one-of-a-couple discounts reported that 56.6 percent (versus 58.1 percent in 2008) of buyers were part of a couple both of whom bought, while 18.7 percent (21.0 percent in 2008) were one-of-a-couple sales and 24.7 percent (20.8 percent in 2008) were single people. Those couples where only one buys probably gravitate toward insurers with a one-of-a-couple discount. The one-of-a-couple discount may help salvage cases in which one spouse is declined.

Overall, our analysis suggests that 58 percent of buyers are women. The percentage ranged from 54 to 61 percent by carrier.

Shared Care and Other Couples Features. Nine companies each reported more than 100 couples buying shared care. Four carriers sold shared care to more than 50 percent of the couples who both bought limited benefit period policies (*eligible couples*). Overall, 42.4 percent of eligible couples purchased shared care; 46.2 percent when shared care was offered by the insurer.

Some products include joint waiver of premium (*premium waived for both insureds if either qualifies*). Others offer survivorship features that waive premiums for a survivor after the first death if specified policy conditions are met.

In 2009, 26.8 percent of the policies sold to couples-both-buying included joint waiver of premium and 21.2 percent included survivorship. Joint waiver of premium was a little less popular than in 2008, but survivorship dropped off sharply, probably because of a change in distribution of sales among insurers.

Existence and Type of Home Care Coverage. Although 10 participants reported 2009 sales of facility only policies (compared to

Table 5
Distribution of Sales
By Maximum Daily Benefit

Maximum Daily Benefit	2009	2008	2007	2006
<\$50	0.8%	0.9%	0.9%	0.6%
\$50-\$99	11.3	9.7	9.7	10.1
\$100-\$149	33.6	34.0	37.0	39.9
\$150-\$199	31.3	32.9	32.2	31.7
>\$200	23.0	22.5	20.2	17.7

13 last year), these policies accounted for only 1.1 percent of total policies sold.

Only four participants reported home care only policies, which accounted for 5.4 percent of sales. Ninety percent of the comprehensive policies sold had a home care benefit at least equal to the facility benefit. Most of the other comprehensive policies had a 50 percent home care benefit.

Overall, only 1.8 percent of the sales were non-tax-qualified (NTQ). Six contributors sold NTQ policies in 2009, two of which increased the portion of their sales which were NTQ. One carrier sold more than 75 percent of its policies on an NTQ basis and two others sold close to 10 percent as NTQ. Participants reported that 4.6 percent of the in-force policies are NTQ.

Thirty-six percent (up from 31 percent in 2008) of the policies with home care benefits use a daily reimbursement home care benefit and 58 percent (down from 62 percent) use a weekly or monthly home care reimbursement benefit, reversing a trend away from daily reimbursement. Three and one-half percent (compared to 4.4 percent in 2008) use an indemnity home care benefit and 2.1 percent (down from 3 percent) use a cash home care benefit.

Limited Pay. In 2009, 10-year-pay accounted for 2.1 percent of the policies, continuing the decreased popularity of 10-year-pay. Pay-to-age-65 accounted for 0.33 percent, half-pay-after-65 accounted for 0.05 percent, 20-year-pay accounted for 0.02 percent, single pay accounted for 0.01 percent, and another 0.06 percent represented other unique premium patterns.

Table 6
Distribution of Sales by Benefit Increase Type

Type	2009	2008	2007	2006	2005	2004
Level Premium Benefit Increases						
5% Compound for Life (Compound ABI)	41.2%	47.6%	47.7%	47.6%	42.2%	46.9%
5% Simple for Life (Simple ABI)	14.6	18.3	20.2	19.4	18.3	17.8
Other Compound	6.8	6.1	4.5	5.3	3.5	4.2
Other Simple	0.0	0.5	0.6	0.7	0.5	0.8
Indexed Level Premium	10.9	6.0	3.7	—	—	—
Increasing Premium Benefit Increases						
Step-Rated	0.0	2.3	2.6	—	—	—
FPO: Indexed	0.4	0.7	0.0	Included Below	Included Below	Included Below
FPO: Fixed	16.8	10.1	9.1	12.6	14.4	12.2
No Benefit Increases	9.0	8.3	11.6	14.3	18.9	17.4
Other	0.4	0.1	0.0	0.2	2.2	0.7

The other 97.4 percent of the policies use lifetime premium payment. The proportion of premium that comes from limited pay policies is much larger than the proportion of policies.

Distributors. Carriers reported that 38.4 percent of the new policies in 2009 were sold by brokers (down from 42.3 percent in 2008), 47.2 percent were sold by captive agents (up from 40.4 percent), 13.4 percent were sold through their broker/dealer channels (down from 16.2 percent), 0.5 percent were sold on a direct response basis (down from 0.8 percent), and 0.4 percent were sold through banks and credit unions (up from 0.3 percent). By comparison, 69.2 percent of the in-force policies were sold by captive agents. Much of the differences from last year are attributable to a different group of participants this year.

Caution: Carriers are not necessarily able to classify distribution in the fashion a reader might expect. If a financial planner sells a policy through a brokerage general agent, such a policy is likely coded as a sale by a broker.

Table 7
Distribution of Sales
By Facility Elimination Period

Number of Days	2009	2008	2007	2006	2005
0-19	2.8%	2.6%	3.0%	3.0%	4.9%
20-30	9.4	10.2	10.7	13.2	14.4
31-89	11.7	4.8	5.7	7.4	6.4
90-100	72.2	78.3	75.4	71.3	68.7
> 100	3.9	4.1	5.2	5.1	5.6

• Underwriting Data

Case Disposition. In reviewing this section, please note:

- Many applicants apply to multiple carriers, but they end up buying coverage from one insurer. The placed percentage quoted below reflects the quoting insurers' perspective; the percentage of applicants who are offered coverage is significantly more favorable.

- If a carrier accepts 70 percent of applicants without modification, but issues joint policies, it likely would issue only 49 percent of its

couples' applications without modification since either applicant might not be acceptable in the applied-for class.

In 2009, 64.7 percent of applications were issued and placed, a dip from 66.9 percent last year. The declination rate rose from 18.3 to 19.9 percent. Another 15.3 percent of applications (compared to 14.8 percent) were either withdrawn during the underwriting process, not taken at delivery, or surrendered within the 30-day free look period.

Of the issued cases, 3.9 percent were reported as modified, rather than being issued as applied-for. However, several companies were unable to identify such cases; hence this figure is understated.

The 17 participants that reported decline percentages ranged from 13.8 to 33.9 percent declined, with seven carriers between 15 and 20 percent, and 5 between 20 and 25 percent.

The participants placed between 39.4 and 75.7 percent of their applications. Four carriers placed between 55 and 60 percent and eight placed between 65 and 70 percent.

Underwriting Time. As shown in Table 8, the reported time from receipt of application to mailing of a policy increased significantly, even though more carriers reported faster processing in 2009 than reported slower processing. Nearly two-thirds of the insurers reported an average processing time of 23 to 30 days.

Underwriting Tools. Table 9 shows the percentage of companies which used each underwriting tool and the reported percentage of applications that were underwritten using that tool. Changes in contributing carriers produced changes in underwriting tool usage compared to last year.

Rating Classification. The percentage of issued cases assigned to each rating classification is shown in Table 10. The increase in cases in the best underwriting class (increasing from 40.0 percent in 2008 to 44.4 percent in 2009) is almost entirely due to change in the carriers that contributed to the statistical survey. The percentage of substandard issues increased compared to 2008 but is still lower than in previous years.

Rating class distributions vary greatly among carriers. The percentage rated in the best rating classification varies from 8 to 100 percent. On the other hand, the percentage rated in the third best rating classification or lower varies from 0 to 66 percent. More than two-thirds of the insurers place between 26 and 55 percent of applicants in their most favorable rating classification. All but one carrier placed at least 75 percent of applicants in its top two rating classifications.

Product Details

This section describes and summarizes, row-by-row, the information displayed in the exhibit. Because many features cannot be fully described in limited space, please seek more information from insurers, as appropriate. The abbreviations in the exhibit are shown in Table 11.

- **Company Name** (rows 1 and 56) lists the participating carriers in alphabetical order at the top of each page. Each company may display as many as three products.

- **Policy Type** (row 2) distinguishes between comprehensive, home care only and facility only products. However, some products are listed as comprehensive, yet are available as facility only and/or home care only as well. Between row 2 and the "comment" rows (55 and 105), we identify nine carriers that offer facility only coverage and three carriers that offer home care only.

We identify a product as "Indemnity" or "Disability" if it is always sold that way for all levels of care. We have no indemnity products and one disability product this year. Some reimbursement products provide some indemnity or disability benefits or options which are indicated in rows 38-41.

Where appropriate, we have inserted indicators such as "Disability," "Facility Only" to indicate why a particular row might not apply to that product.

- **Product Marketing Name** (rows 3 and 57) is the product's common brand name.

- **Policy Form Number** (row 4) is generic; it may vary by state.

- **Year First LTCI Policy Offered** (row 5) is the year the insurer first offered individ-

Table 8
Distribution of Issues
By Underwriting Time

Number of Days	2009	2008	2007	2006
1-14	22.8%	29.2%	27.0%	18.4%
15-29	33.0	31.6	31.7	38.5
30-44	21.0	20.8	20.1	20.7
45-59	12.5	10.5	13.6	16.1
> 60	10.7	7.9	7.6	6.3

ual LTCI coverage. If group LTCI was sold earlier, that group date is also shown.

- **Year Current LTCI Policy Was Priced** (row 6) is the year the current product was most recently priced. This row is new in 2010.

- **Jurisdictions LTCI Available** (row 7) generally shows the jurisdictions in which the insurer sells, or intends to sell, LTCI. A displayed product may not be available in all of these states.

- **State Partnerships** (row 8) identifies the number of state partnerships in which the insurer participated as of January 1, 2010 and specifically identifies any of the original four partnerships (CA, CT, IN and NY) in which the insurer participates.

- **Financial Ratings & Ranking** (rows 9-14) lists each company's ratings from the four major rating agencies (A.M. Best, Standard & Poor's, Moody's, and Fitch) and its COMDEX ranking as of May 1, 2009.

The COMDEX ranking is from *VitalSigns*, a publication of EbixLife, Inc. EbixLife converts each company's A.M. Best, Standard & Poor's, Moody's, and Fitch ratings into a percentile ranking. For insurers rated by at least two of these rating agencies, EbixLife produces a COMDEX ranking by averaging that insurer's percentile rankings.

The COMDEX ranking has two key advantages: It combines the evaluations of several rating agencies and its percentile ranking makes it easier to understand how a company compares to its peers.

- **Financials** (rows 15-18) reflect the insurer's statutory assets and surplus (in millions) for year-end 2009, and the percentage changes from year-end 2008. These

Table 9
Use of Underwriting Tools

Underwriting Tool	Percent of Companies Using Tool	Percent of Applications Evaluated Using Tool
Medical Records	100%	62%
Phone Interview (PHI)	100	45
With No or Minimal Cognitive Testing	73	24
With Cognitive Testing	93	21
Prescription Profiles	47	33
MIB	13	26
Cognitive Face-to-Face	93	13
Blood Testing	27	0.1

Table 10
Distribution of Issued Policies by Underwriting Class

Underwriting Class	2009	2008	2007	2006	2005
Best	44.4%	40.0%	39.9%	40.5%	36.5%
Next Best	50.1	55.2	53.1	52.1	54.5
Next Best	4.6	4.0	4.7	5.3	5.8
Next Best	0.9	0.7	1.0	0.9	1.6
Next Best	0.1	0.1	1.3	1.2	1.6

figures do not include assets and surplus of related companies, nor do they reflect assets under management.

- **LTCI Premiums** (rows 19-22) lists the annualized premiums (in millions) of policies sold in 2009 and, separately, of policies in-force on December 31, 2009 and the percentage changes from the previous year. If single premium sales are included in the annualized premium, the amount of single premium is disclosed parenthetically.

- **LTCI Lives Insured** (rows 23-26) counts joint LTCI policies twice, because two lives are covered in such policies. The number of lives covered by new policies and by year-end in-force policies, as well as the year-to-year percentage changes, is shown.

- **Policy Ranges and EP Terms** (rows

27-34) shows the *product's issue age, daily benefit, benefit period (BP) and elimination period (EP) ranges*. It also explains how the EP works.

Issue Age Range. Only two participants issue LTCI to people older than age 85.

Daily, Weekly or Monthly Benefit Range shows the minimum and maximum policy size that will be issued. The range is shown on a weekly or monthly basis only if home care, ALF care and facility care are always sold on a weekly or monthly basis. Most policies showing a daily benefit range offer an option to determine the benefit on a monthly basis, and some issue a daily benefit for one level of care and a monthly benefit for another level of care. The cost of monthly determination of benefits can be reflected in an additional premium and

Table 11
Description of Abbreviations

Abbreviation	Meaning
5/10	Choice of After 5 Years or After 10 Years
ALF	Assisted Living Facility
APC	Alternate Plan of Care
BP	Benefit Period
Cal	Calendar
Comp	Compound
CPI	Consumer Price Index
CPI +0%,1%,2%	CPI Increased by 0%, 1% or 2% Arithmetically Each Year
Elim or EP	Elimination Period
Extra \$	This Feature Costs Extra
FC	Facility Care
FY	First Year
HC	Home Care
HCBC	Home and Community Based Care
M, Q, SA, A	Monthly, Quarterly, Semi-Annual, Annual
Max	Maximum
MDB	Maximum Daily Benefit
Mos	Months
NA	Not Applicable
Pfd	Preferred Risk Class
Reimb	Reimbursement
Svc	Service Days
To 2x; to 6x	Until the Benefit Doubles or Is 6 Times as Large
UW	Underwriting
w/	With
Wk, Wkly	Weekly
Yrs	Years
<	Less Than
>	Greater Than

also a reduction in the annual maximum benefit from 365 x the daily benefit to 360 x the daily benefit.

Benefit Period. Most products still offer a lifetime benefit period, but three participants do not offer lifetime benefit periods. Three participants offer LTCI policies with BPs as short as one year. The partnerships may eventually make one-year BP more common.

Elimination Period. A cumulative EP means that someone could satisfy the EP
(Article continues on page 24)

2010 Annual Long Term Care Insurance Survey

1 COMPANY NAME	AMERICAN GENERAL	ASSURITY	BANKERS LIFE AND CASUALTY		BERKSHIRE LIFE
2 Policy Type	Comprehensive	Comprehensive	Comprehensive	Comprehensive	Comprehensive
3 Policy Marketing Name	American General LTC	Assurity/Balance	GR-N620 (Standard Package)	GR-N650 (Premier Package)	Care ProVider
4 Policy Form Number	8000	AL2100P	GR-N620	GR-N650	BG01P
5 Year First LTCI Policy Offered	2010	2007	1985		2004
6 Year Current LTCI Policy Was Priced	2009	2007	2009		2004
7 Jurisdictions LTCI Available	All But FL, MA, NY, & VT	All But FL & NY	All States Except NY		All States & DC
8 State Partnerships (as of January 1, 2010)	None	20	25 (Incl CA, CT, IN)		19

9 Financial Ratings (as of May 1, 2010)

10 A.M. Best	A	A-	B		A++
11 Standard & Poor's	A+	Not Rated	BB-		Not Rated
12 Moody's	A1	Not Rated	Ba2		Not Rated
13 Fitch	A-	Not Rated	BBB-		Not Rated
14 COMDEX Ranking	83	Not Ranked	48		Not Ranked

15 Financials (Millions)

16 Assets (December 31, 2009)	\$39,653	\$2,238	\$12,319		\$2,627
17 Surplus (December 31, 2009)	\$5,954	\$249	\$730		\$452
18 Percent Increase (Assets, Surplus)	3%, 14%	4%, 11%	8%, 20%		7%, 7%

19 LTCI Premium (Millions)

20 2009 First Year Premium	NA	\$0.8	\$26.6		\$12.6
21 2009 End of Year In-Force Premium	NA	\$1.6	\$588.6		\$42.0
22 Percent Increase (New Business, In-Force)	NA	13%, 75%	-8%, -1%		28%, 37%

23 LTCI Lives Insured

24 2009 First Year Issued	NA	279	16,790		3,267
25 2009 End of Year In-Force	NA	613	344,606		11,416
26 Percent Increase (New Business, In-Force)	NA	-2%, 66%	-12%, -5%		27%, 34%

27 Policy Ranges and EP Terms

28 Issue Age Range	21 - 84	40 - 84	18 - 89		40 - 84
29 Daily, Weekly or Monthly Benefit Range	\$2,000 - \$12,000/Month	\$40 - \$300	\$40 - \$400		\$50 - \$300
30 Benefit Periods and/or Pools	7 Pools: \$100K- \$1KK	2, 3, 4, 5, 6, 10, L	1, 2, 3, 4, 5, 6, 8, L (500-2,500 Day BP Also Available)		3, 4, 5, L
31 Elimination Periods	30, 90, 180, 365	0, 30, 90, 180	0, 15, 30, 60, 90, 180, 365, 730, 1095, 1460		0, 30, 90, 180
32 Vanishing, Cumulative	Yes, Yes	Yes, Yes	Yes, Yes		Yes, Yes
33 Elimination Period Crediting	Calendar Days	Service Days	3 HC/Week=7		Service Days
34 Zero-Day HCBC EP with Longer NH EP	Extra Cost	Extra Cost	No		No

35 Policy Benefits

36 Number of Benefit Pools, EPs	1, 1	1, 1	1, 1		1, 1
37 HCBC Payment Basis	Monthly	Daily (Monthly Extra\$)	Weekly	Monthly	Daily (Monthly Extra\$)
38 Indemnity Facility, Indemnity HCBC	No, No	Both Extra Cost	No, No		Both Extra Cost
39 Full Cash (Disability) Benefit	NA	NA	NA		NA
40 Partial Cash (Disability) Alternative	40% (Automatic)	NA	NA		NA
41 Additional Cash Benefit	NA	NA	25% (Extra Cost)		NA
42 Assisted Living (Percent of NH Max)	100%	100%	50%	100%	100%
43 Home Care Health Aide (Percent of NH Max)	100%	100%	50%	50%, 100%	100%
44 Independent Professional, Non-Professional	Same, See Cash Alternative	Same, Not Covered	Same, Not Covered		Same, Extra Cost
45 Homemaker Services	Same As Custodial Care	Same As Custodial Care	Must be Incidental		Same As Custodial Care
46 Informal Care (Other Than Family)	Use Cash Alt (Included)	Excess Indemnity Benefit Over Qual'd Cost: Use for Anything	Not Covered		Caregiver Rider (Or Use Excess Indemnity)
47 Family Care	Use Cash Alt (Included)		Not Covered		

48 Benefit Increase Features

49 Lifetime Compound Increases (Level Premium)	3%, 5%	5%	2%, 3%, 4%, 5%		3%, 5%
50 Lifetime Simple Increases (Level Premium)	NA	5%	5%		NA
51 Other Increases (Level Premium)	NA	NA	2 Decreasing Inflation Options Are Also Offered (See Other Comments)		NA
52 Increased Before Claims Deducted?	Yes	No	No		No
53 Future Purchase Options (FPO)	NA	NA	15%/3 Years		NA
54 FPO Comments	NA	NA	To 89 If No Declines or Claims		NA
55 Other Comments	3% & 5% Compound w/Graded Premium to Age 65 or For Life	Step-Rated; Constant Premium Increase Each Year	5% Compound Through Age 60, Then Either 3% Compound or 5% Simple Through Age 75, Then 0%		Facility Only Available

BERKSHIRE LIFE	COUNTRY LIFE		GENWORTH		
Comprehensive	Facility Only	Comprehensive	Comprehensive	Comprehensive	Comprehensive
LTC Choice ProVider	Facility Only LTC	Comprehensive LTC	Cornerstone Advantage	Classic Select	Privileged Choice
BG01(01-09)	LTC-520	LTC-500	7048	7042 Rev	7044 Rev
2004	1989		1974		
2009	2004		2007		
All States & DC	23 States, No Eastern Seaboard		All States & DC		
19	8		23 (Incl CA, CT, IN, NY)		

A++	A+		A		
Not Rated	Api		A		
Not Rated	Not Rated		A2		
Not Rated	Not Rated		A-		
Not Ranked	89		79		

\$2,627	\$7,895		\$34,733		
\$452	\$918		\$3,514		
7%, 7%	9%, -3%		-17%, -7%		

\$12.6	\$1.8		\$107.5		
\$42.0	\$21.3		\$1,905.9		
28%, 37%	-12%, 6%		-34%, 1%		

3,267	991		48,951		
11,416	15,557		1,069,603		
27%, 34%	-13%, 4%		-33%, 1%		

40 - 84	18 - 84		18 - 79		
\$50 - \$400	\$50 - \$350		80% of Cost Up To \$100-\$400	\$50-\$400/Day	\$1,500-\$12,000/Month
3, 4, 5, 6, L	2, 3, 4, 5, L		9 Pools: \$100K-\$1KK	2, 3, 4, 5, 6, 8, 10, L	2, 3, 4, 5, 6, 8, 10, L
0, 30, 90, 180	30, 90, 180, 365		Deduct = 50 x MDB	30, 90, 180, 365	30, 90, 180
Yes, Yes	Yes, Yes		Yes, Yes		
Service Days	Service Days		\$ Spent, Not Days, Are Credited	Service Days	Service Days
Extra Cost	Facility Only	No	No	Extra Cost	Included

1, 1	Facility Only	1, 1	1, 1		
Daily (Monthly Extra\$)	Facility Only	Daily (Monthly Extra\$)	Daily	Daily (Monthly Extra\$)	Monthly
Both Extra Cost	No, NA	Both Extra Cost	No, No		
NA	NA		NA		
NA	NA		NA		
NA	NA		NA		
100%	100%		0% (100% Extra \$)	100%	100%
100%	Facility Only	50%, 100%	100%		
Same, Not Covered	Facility Only	Both Same As Above	Covered, Not Covered	Both Same As Above	Both Same As Above
Same As Custodial Care	Facility Only	Must Be Incidental	Same As Custodial Care		
Use Excess Indemnity Over Qualified Cost	Facility Only	Use Excess Indemnity Over Qualified Cost	Not Covered	To 100% of MDB; Family Care Covered If Compensated As Employee of HC Agency	

3%, 4%, 5%, 6%	5%		3%, 5%		
NA	5%		5%		
NA	NA		NA		
No	No		No	No	Yes
NA	NA		NA		
NA	NA		NA		
Step-Rated, Constant Premium Incr Each Year			Same Generation Relatives Can Qualify for Spousal Discounts		

2010 Annual Long Term Care Insurance Survey

56 COMPANY NAME	AMERICAN GENERAL	ASSURITY	BANKERS LIFE AND CASUALTY		BERKSHIRE LIFE
57 Product Marketing Name	American General LTC	AssurityBalance	GR-N620 (Standard Package)	GR-N650 (Premier Package)	Care ProVider
58 Sales Rep/Source for More Info	www.americangeneralltc.com	888-505-3980	www.bankerslife.com		888-505-8743
59 Ancillary Benefits					
60 Bed Reserve Days/Year, Respite during EP?	30+Other, Incl Below*	30+Other, 30	60+Other, No	60+Other, 21	30+Other, 30
61 Alternative Plan of Care (APC)	Contractual	Contractual After EP	No	Contractual After EP	Contractual After EP
62 Home Modification	10% Lifetime Max*	APC	NA	30 x MDB	APC
63 Caregiver Training Benefit	Included Above*	3 x MDB	NA	25% of Monthly HC	5 x MDB
64 Emergency Alert	APC	NA	NA	5% HC MDB; Max 12 Months	Up to \$50/Month
65 Equipment Benefit	Included Above*	APC	NA	5% HC MDB; Max 12 Months	APC
66 Drug, Ambulance Benefit	NA	NA	NA, \$75/Trip x 4x/Yr		NA
67 Claims Issues					
68 Conditional Receipt Protection	Full, After UW Req't	No	No	No	No
69 Coverage Beyond USA	International (= Cash Alt For 2 Yrs)	Canada (Other = 30 Days)	Canada (Other = 30 Days)		US Territories & Canada (Other = 30 Days)
70 Provider Discounts (Directly or Indirectly)	No	No	No	No	No
71 Care Coordination Available From	Client's Choice	Through Network	Through Network		Through Network
72 Third Party Limits	None	None	None		None
73 Premiums and Discounts					
74 Preferred Discount	10%	25%	10%		20%
75 Substandard Extra Ratings	Rarely and Case-Specific	25%, 100%, 200%	25%, 50%, 100%		25%
76 Two-Spouse, Two-Partner Discounts	30%, 30%	Younger Up to 80%	35%, 10%		Younger Up to 70%
77 Requires Identical Coverage?	No	Yes	No		Yes
78 If Spouse is a Surprise Decline?	Reduced	Lost	Reduced		Lost
79 On First Death?	Unchanged	Lost	Unchanged		Lost
80 One-Spouse Discount (Only 1 Spouse Applies)	15%	0%	15%		0%
81 Maximum Best UW Class & Spouse Discount	40%	55%	41.50%		48%
82 Later Marriage Earns Discount For	Current & New Spouse	Neither	Current & New Spouse		Neither
83 Most Common Employer, Affinity Discount	5%, 5%	5%, 5%	NA, 5%		10%, 10%
84 Minimum Size Employer Group, Number Apps	10, 10	3, 1	NA		3, 3
85 Minimum Size Affinity Group, Number Apps	10, 5	10, 1	Varies		10, 3
86 Credit Card: Frequencies Accepted	M, Q, SA, A	None	None		None
87 Non-Level Premiums					
88 Fixed Periods	NA	10, 20	10, 20		10
89 Paid Up at Ages	65 (10 Years If Longer)	NA	NA		65
90 Other Options	See Line 55	NA	NA		NA
91 Waiver of Premium					
92 First Premium Waived (Days)	Elim	90 Service	Elim		90 Service
93 HCBC Waiver	Yes	Extra Cost	Yes		Extra Cost
94 Joint Waiver	Extra Cost	Automatic	Extra Cost	Automatic	Automatic
95 Return of Premium Upon Death (ROP)					
96 ROP Design #1	Net, 100%	Full, 100% (Second Death)	Net: Grades from 10% @ 4th Year to 100% @ Year 20+		Net, 100% (Second Death)
97 ROP Design #2	NA	NA	NA		NA
98 Other Riders & Features					
99 Paid Up Survivor Benefit	Extra Cost	Not Offered	Extra Cost		Extra Cost
100 Both People Must Survive Number of Years	10	NA	10		10
101 Claim-Free Requirement?	Yes, No	NA	No		No
102 Shared Care Benefit	Perm Extra \$, Third Pool	Perm Extra \$, Third Pool	Perm Extra \$, Third Pool		NA
103 Other Shared Care Aspects					
104 Restoration of Benefits	Extra Cost	Extra Cost	Extra Cost	Included	Extra Cost
105 Other Comments	Info From Proposal Passes to E-app; E-signature	No War Exclusion; Facility Only Coverage is Available	Extra Cost Rider Ups Survivor's Daily Benefit 50% But Survivor's Prem is Unchanged Return of Premium Applies on Lapse Also		No War Exclusion
106 Non-Tax-Qualified Policies (NTQ)					
107 NTQ: Percent of Sales, Extra Cost	100% TQ	100% TQ	10%, 6%		100%, TQ
108 NTQ: Facility Trigger	NA	NA	Double/2 ADL		NA
109 NTQ: Home Care Trigger	NA	NA	Double/2 ADL		NA
110 Combination Policies Offered	None	None	Life		None

BERKSHIRE LIFE	COUNTRY LIFE		GENWORTH		
LTC Choice ProVider	Facility Only LTC	Comprehensive LTC	Cornerstone Advantage	Classic Select	Privileged Choice
888-505-8743	866-856-4760		www.genworth.com		
30+Other, 30	30, 30		21+Other, 21	30+Other, 21	60+Other, 30
Contractual After EP	Contractual After EP		Contractual After EP		
APC	Facility Only	50 x MDB	90 x MDB*	50 x MDB	2 x Monthly Max
5 x MDB	Facility Only	3 x MDB	Included Above*	5 x MDB	20% of Monthly Max
Up to \$50/Month	Facility Only	50 x MDB		NA	
APC	Facility Only	50 X MDB	Included Above*	50 x MDB	2 x Monthly Max
NA	Facility Only	NA		NA	
No	No		Limited, After App		
US Territories & Canada (Other = 30 Days)	No		No	No	NH 75%/4 Years
No	No		Yes		
Through Network	Through Network		Through Network		
None	None		None		
15%	10%		15%	10% (20% Single)	10% (20% Single)
25%, 150%, 275%	None		None		
Younger Up to 80%	30%, 0%		35%, 35%	40%, 40%	40%, 40%
Yes	No		No		
Lost	Reduced		Unchanged	Reduced	Reduced
Lost	Unchanged		Unchanged		
0%	15%		Second Spouse Must Apply & Not Have Knock-Out: 35%, 25%, 25% (By Product)		
49%	40%		50%		
Neither	Current & New Spouse		Current (If Within 12 Months) & New Spouse		
5%, 5%	NA, NA		5%, NA		
3, 3	NA, NA		3, 3*		
10, 3	NA, NA		NA		
None	None		M, Q, SA, A (First Payment Only)		
10	10		10		
65	65		65		
NA	NA		NA		
90 Service	Elim		Elim (NH Only)	Elim	
Extra Cost	Facility Only	Yes	Extra Cost (WP for ALFs Too)		Yes
Automatic	Extra Cost		Not Offered		Automatic w/Shared Care, Otherwise No
Full, 100% (Second Death)	Net, Decrease to \$0@Age 80		Incl: Net, Decr to \$0@Age 75	Net, 100% Starts @ 10th Year	
NA	NA		NA		
			Net, Decreasing to \$0 @ Age 75		
Extra Cost	Extra Cost		Not Offered	Extra Cost	Included: Alt Extra \$
10	10		NA	10, 7	10, 7 (Extra\$)
No	No		NA	Yes, No	Yes, No
Perm Extra \$, Third Pool	NA	Permanent Extra \$	Permanent Extra \$		
			Limited WP; Min Surv Ben		Joint WP; Survivor Pays +25%
Extra Cost	Extra Cost		Extra Cost		
No War Exclusion	*With Full UW, NS (<65) Upgraded to Pfd if 4+ Employees Buy				
100%, TQ	100% TQ		100% TQ		
NA	NA		NA		
NA	NA		NA		
None	Life		Life, Annuities		

2010 Annual Long Term Care Insurance Survey

1	COMPANY NAME	JOHN HANCOCK		KNIGHTS OF COLUMBUS		MASSMUTUAL
2	Policy Type	Comprehensive	Comprehensive Worksite	Facility Only	Comprehensive	Comprehensive
3	Policy Marketing Name	Custom Care II Enhanced	Leading Edge	K of C Care	K of C Care	SignatureCare 500
4	Policy Form Number	LTC-03	LTC-06	NHC01	LTC01	MM-500-P
5	Year First LTCI Policy Offered	1987		2000		2000
6	Year Current LTCI Policy Was Priced	2010		1999		2008
7	Jurisdictions LTCI Available	All States & DC		All States & DC		All States & DC & Puerto Rico
8	State Partnerships (as of January 1, 2010)	26 (Incl CA, CT, IN, NY)		None		21 (Incl CT,IN,NY)
9	Financial Ratings (as of May 1, 2010)					
10	A.M. Best	A+		A++		A++
11	Standard & Poor's	AA+		AAA		AA+
12	Moody's	Aa3		Not Rated		Aa2
13	Fitch	AA		Not Rated		AA+
14	COMDEX Ranking	97		100		98
15	Financials (Millions)					
16	Assets (December 31, 2009)	\$203,395		\$15,549		\$419,745
17	Surplus (December 31, 2009)	\$5,019		\$1,619		\$9,259
18	Percent Increase (Assets, Surplus)	223%, 94%		11%, 1%		16%, 9%
19	LTCI Premium (Millions)					
20	2009 First Year Premium	\$116.1		\$3.4		\$13.1
21	2009 End of Year In-Force Premium	\$1,385.3		\$36.7		\$150.7
22	Percent Increase (New Business, In-Force)	-5%, 7%		0%, 18%		-31%, 6%
23	LTCI Lives Insured					
24	2009 First Year Issued	48,077		3,181		3,831
25	2009 End of Year In-Force	685,938		31,857		60,800
26	Percent Increase (New Business, In-Force)	-3%, 4%		3%, 20%		-34%, 4%
27	Policy Ranges and EP Terms					
28	Issue Age Range	18 - 84	18 - 79	30 - 85		18 - 84
29	Daily, Weekly or Monthly Benefit Range	\$50-\$500		\$50 - \$400		\$50 - \$400
30	Benefit Periods and/or Pools	2, 3, 4, 5, 6, 10	3, 5, 5+ \$1KK	3, 5, L		2, 3, 4, 5, 6, 10, L
31	Elimination Periods	30, 60, 90, 180, 365	100	30, 60, 90, 180		30, 60, 90, 180
32	Vanishing, Cumulative	Yes, Yes		Yes, No		Yes, Yes
33	Elimination Period Crediting	1 HC/Week=7	Service Days	Calendar Days		Service Days
34	Zero-Day HCBC EP with Longer NH EP	Extra Cost		No		Extra Cost
35	Policy Benefits					
36	Number of Benefit Pools, EPs	1, 1		1, 1		1, 1
37	HCBC Payment Basis	Daily (Monthly Extra\$)		Facility Only	Monthly	Daily (Monthly Extra\$)
38	Indemnity Facility, Indemnity HCBC	No, No		No, NA	No, No	Both Extra Cost
39	Full Cash (Disability) Benefit	NA		NA		NA
40	Partial Cash (Disability) Alternative	NA		NA		NA
41	Additional Cash Benefit	15% (Extra \$)	NA	NA		NA
42	Assisted Living (Percent of NH Max)	100%		100%		100%
43	Home Care Health Aide (Percent of NH Max)	100%		Facility Only	100%	100%
44	Independent Professional, Non-Professional	Both Same As Above		Facility Only	Both Same As Above	Same, Not Covered
45	Homemaker Services	Must Be Incidental	Same As Custodial Care	Facility Only	Same As Custodial Care	Same As Custodial Care
46	Informal Care (Other Than Family)	Up to 100% MDB; Must Be Certified, Trained	Up to 100% MDB	Facility Only	Same As Above	Can Use Excess of Indemnity Benefit Over Qualified Cost for Any Purpose
47	Family Care	Family Members Only If Normal Compensation as HC Provider Employee		Facility Only	Not Covered	
48	Benefit Increase Features					
49	Lifetime Compound Increases (Level Premium)	5%, CPI (see Leading Edge)	CPI (Can Buy 10% More Every 3 Yrs)	5%		5%
50	Lifetime Simple Increases (Level Premium)	5%		NA		5%
51	Other Increases (Level Premium)	NA		NA		NA
52	Increased Before Claims Deducted?	No		No		No
53	Future Purchase Options (FPO)	15% of Orig MDB/3Yrs Thru Age 90	15.8%/3Yrs Even If On Claim	10% of Orig MDB Every 2 Years Until 2 Straight Declines or On Claim		NA
54	FPO Comments	If No Clm in 2Yrs; Conv@65	Lost If Decline Twice			NA
55	Other Comments	Family Care Covers Up to 4 People on One Policy with Shared EP	Available only in Worksite 5 Yr BP Can Be Increased By \$1KK			Participating Policy: Dividends Payable

	MEDAMERICA	METLIFE		MUTUAL OF OMAHA	NEW YORK LIFE
	Comprehensive Disability	Comprehensive	Comprehensive	Comprehensive	Comprehensive
	Simplicity II	LifeStage Advantage	VIP2 Value	VIP2 Ideal	Mutual Care My Way
	SPL2-336	LTC2007	LTC2-Value	LTC2-Ideal	LTC09M
	1987	1986 (Group); 1998 (Individual)		1987	1993; 1988 (Group)
	2007	2008		2009	2002
	All States & DC	All States & DC		All States & DC	All States & DC
	10 (Incl CT,NY)	21 (Incl CA, CT, IN, NY)		17	9 (Incl CA,NY)
	B++	A+ w		A+	A++
	A-	AA- w-		AA-	AAA
	Not Rated	Aa3		Aa3	Aaa
	Not Rated	AA-		Not Rated	AAA
	52	95		96	100
	\$1,248	\$289,575		\$4,730	\$187,772
	\$146	\$12,634		\$2,238	\$15,009
	23%, 265%	0%, 9%		1%, 7%	7%, 17%
	\$5.3	\$36.3		\$7.4 (Includes \$0.3 of SP)	\$21.3
	\$114.1	\$531.6		\$128.5	\$175.5
	-40%, 9%	-48%, 7%		2%, 10%	-18%, 7%
	3,438	17,792		3,416	10,203
	81,646	244,726		76,088	113,611
	-34%, 12%	-45%, 2%		-53%, 1%	-20%, 5%
	18 - 85	18 - 84		18 - 79	18 - 85
	\$1,500/Month - \$16,000/Month	\$3,000 - \$15,000/Month		\$50 - \$400	\$1,500 - \$12,000/Month
	5 Pools (\$100K - \$500K, \$1KK)	7 Pools: \$75K, \$100K - \$500K, \$1KK		2, 3, 4, 5, 7	2, 3, 4, 5, 6, 8, L
	30, 60, 90, 180	100		20, 45, 100	20, 45, 100
	30, 60, 90, 180	100		20, 45, 100	20, 90, 180, 365 (HC=20 w/Coord)*
	Yes, Yes	Yes, Yes		Yes, Yes	Yes, Yes
	Calendar Days	Calendar Days		Service Days (Calendar Day HC EP Extra \$)	Calendar Days
	No	No		Extra Cost	Extra Cost
	1, 1	1, 1		1, 1	1, 1
	Monthly	Monthly		Daily	Monthly
	Disability , Disability	No, No		Both Extra Cost	No, No
	Automatic	NA		NA	NA
	Disability	NA		NA	35% of HC (Automatic)*
	NA	NA		NA	NA
	100%	100%		50%, 75%, 100%	100%
	75%, 100%	100%		50%, 75%, 100%	50%, 75%, 100%
	Disability	Both Same As Above		Both Same As Above	Same, Reduced
	Disability	Same As Custodial Care		Same As Custodial Care	1 Day/Wk If Custodial>1 Day/Wk
	Disability (Cash) Benefit	Not Covered	Use Excess Indemnity Over	Up to 1 x HC MDB/Month for Shopping, Laundry, Etc.	*Cash Alt Available During EP, But Does Not Retire EP
	Can Be Used for Any Purpose	Qualified Cost			
	3%, 5%	3%, 5%		5%	5%
	5%	NA		5%	5%
	5% Compound to 2x	NA		NA	5% Compound 20 Years
	No	No		NA	Yes
	NA	FPO/FPR: 5%/Year Until Refused 2 x Consecutively Or On Claim		Can Add 3 or 5% for No-Incr Policies w/In 5 Yrs of Issue If No Clm	CPI+0%, 1%, 2%; Premium Incr
	NA	GPO: To 65; Up to 2x Orig Benefit		Up to 2x Mo Max for Injury, Before 65	Same % as MDB Incr; Always Avail
	Always DI (Cash) Basis for Services Used or Amts Spent; HC Only & FC Only Avail	Some Care Coordination Services Can Be Used for Relatives; LifeStage Advantage Sold in 2 Configurations (Simple & Customary); Facility Only Available		Add'l Amt Not +/- from Pool	Participating Policy; Dividends Payable

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56 COMPANY NAME	JOHN HANCOCK		KNIGHTS OF COLUMBUS		MASSMUTUAL
57 Product Marketing Name	Custom Care II Enhanced	Leading Edge	K of C Care	K of C Care	SignatureCare 500
58 Sales Rep/Source for More Info	800-270-1700		William J. Murray 203-752-4090		800-767-1000
59 Ancillary Benefits					
60 Bed Reserve Days/Year, Respite during EP?	60+Other, 21		21, 21		60+Other, 30
61 Alternative Plan of Care (APC)	Contractual After EP		By Company Practice	Contractual After EP	Contractual After EP
62 Home Modification	30 x MDB*		Facility Only	\$1,000/Calendar Year	APC
63 Caregiver Training Benefit	Included Above*		Facility Only	\$500/Calendar Year	5 x MDB
64 Emergency Alert	Included Above*		LifePlans Provider Discount Program*		50% of MDB/Month
65 Equipment Benefit	Included Above*		Facility Only	\$1,000/Calendar Year	APC
66 Drug, Ambulance Benefit	NA		NA, \$250/Year (\$500/Yr in CA)	NA, \$250/Year	1 x MDB/Mo, 4 x MDB/Yr
67 Claims Issues					
68 Conditional Receipt Protection	Full, After UW Req.		No		Full, After UW Req.
69 Coverage Beyond USA	International (365)		No		Up to 1/2 MDB til 2.5 Yrs MDB Used
70 Provider Discounts (Directly or Indirectly)	Yes, for Relatives Too		Yes		No
71 Care Coordination Available From	Through Network		Client's Choice*		Through Network
72 Third Party Limits	Up to 10xMDB (1/3 Monthly Max)	None	\$500/Calendar Year		None
73 Premiums and Discounts					
74 Preferred Discount	10%		None		15%
75 Substandard Extra Ratings	25%, 50%		None		25%, 150%, 400%
76 Two-Spouse, Two-Partner Discounts	30%, 30%		15%, 0%		35%, 35%
77 Requires Identical Coverage?	No		No		No
78 If Spouse is a Surprise Decline?	Reduced		Unchanged		Reduced
79 On First Death?	Unchanged		Unchanged		Unchanged
80 One-Spouse Discount (Only 1 Spouse Applies)	15%		10%		5%
81 Maximum Best UW Class & Spouse Discount	35%		15%		44.75%
82 Later Marriage Earns Discount For	Current & New Spouse		New Spouse		Current & New Spouse
83 Most Common Employer, Affinity Discount	5%, 5%		NA		10%, 10%
84 Minimum Size Employer Group, Number Apps	5, 5		NA		3, 3
85 Minimum Size Affinity Group, Number Apps	10, 5		NA		10, 3
86 Credit Card: Frequencies Accepted	M, Q, (Leading Edge: Also SA, A)		None		None
87 Non-Level Premiums					
88 Fixed Periods	10		NA		10
89 Paid Up at Ages	65		NA		65
90 Other Options	NA		NA		NA
91 Waiver of Premium					
92 First Premium Waived (Days)	Elim		Elim		Elim
93 HCBC Waiver	Yes		Yes		Yes
94 Joint Waiver	Extra Cost	Not Offered	Not Offered		Extra Cost
95 Return of Premium Upon Death (ROP)					
96 ROP Design #1	Incl: Death Before 65	NA	Net, 100% Starts @ 10th Year		Full, 100%
97 ROP Design #2	Extra Cost, Death >65	NA	NA		Net, 100%
98 Other Riders & Features					
99 Paid Up Survivor Benefit	Extra Cost	Not Offered	Not Offered		Extra Cost
100 Both People Must Survive Number of Years	10	NA	NA		10
101 Claim-Free Requirement?	Yes	NA	NA		No
102 Shared Care Benefit	Extra Cost If Alive & Not on Claim. If Pool Depleted, Spouse <91 &		Permanent Extra \$		Perm Extra \$, Third Pool
103 Other Shared Care Aspects	No Claim in 2 Years, Can Buy 2 Year BP (3Yr w/Leading Edge)				
104 Restoration of Benefits	Extra Cost	NA	NA		Extra Cost
105 Other Comments	Independent Review of Claims Is Binding on JH		Loyal Customer Discount 5% All Yrs; Facility Only Coverage is Available		Loyal Customer Discount 5% All Yrs; Facility Only Coverage is Available
106 Non-Tax-Qualified Policies (NTQ)					
107 NTQ: Percent of Sales, Extra Cost	100% TQ		0%, 10%		100% TQ
108 NTQ: Facility Trigger	NA		More than 6 ADLs		NA
109 NTQ: Home Care Trigger	NA		Same As TQ		NA
110 Combination Policies Offered	Life, Annuities		None		None

MEDAMERICA	METLIFE		MUTUAL OF OMAHA	NEW YORK LIFE	
Simplicity II	LifeStage Advantage	VIP2 Value	VIP2 Ideal	Mutual Care My Way	LTC Select Premier
www.medamericaltc.com		888-776-3882		800-693-6083	800-224-4582
Disability, No (Disability After EP)	50+Other; No	50+Other, 21	50+Other, 21	30+Other, 30	30+Other, 21
Disability		Contractual After EP		Contractual After EP	Contractual
Disability	NA	50 x MDB w/EP Riders*	15 x MDB (More Extra)*	2 x Mo Max If Care Coord Is Used*	\$4,000*
Disability	NA	5 x NH MDB	5 x NH MDB	2 x Monthly Max	5 x MDB
Disability	NA	Included Above*	Included Above*	[*Included w/Home Mod 2x Mo Max]	NA
Disability	NA	Included Above*	Included Above*	[If Care Coord Is Used]	Included Above*
Disability		NA		NA	NA
No		Full, After App		Full, After UW Req.	Limited, After App
International: Disability	Cash=50% MDB After 2xEP, 50% LT Max	Cash=50% of HC MDB After 2xEP; Up to 10 Yrs		International Benefit (365)	100 x MDB
Yes		Yes		No	No
Company Staff	Company Staff Coordination Unlimited; Client's Choice Is Covered Up to \$275 in First Year of Claim			Client's Choice*	Through Network*
None	Additional Costs Can Be Reimbursed As Benefits			None	None
10%		10%		15%	10%
None		Rarely and Case-Specific		25%, 50%	35%, 65%
40%, 40%		30%, 30%		35%, 10%	15%, 0%
No		No		No	No
Unchanged		Reduced		Reduced	Unchanged
Unchanged		Unchanged		Unchanged	Unchanged
20%		15%		15%	15%
46%		40%		45%	23.50%
Current & New Spouse		Current & New Spouse		Current & New Spouse	Current & New Spouse
5%, 5%		5%, 10%		10%, 5%	10%, 10%
1, 3		3, 3*		10, 3	1, 1
1, 1		10, 10		3, 3	1, 1
Q, SA, A		None		None	None
10		10		1, 10, 20	NA
65	NA	65		65	If No Claims, Paid Up At Later of
NA	NA	Reduced Pay at 65 and Double Pay First Year		N/A	Age 95 or 20 Years
Elim		Elim		Elim	Elim
Yes		Yes		Yes	Yes
Extra Cost		Not Offered		Extra Cost	Extra Cost
Full, 100%	Incl: Up to Age 70	Net, 100% Starts @ 11th Year		Net, 100%	Net, 100%
Net, 100%		NA		Full, 100%	At Age 100 (Min 25 Yrs) If No Clms
Extra Cost	Not Offered	Extra Cost		Extra Cost	Extra Cost
10	NA	10		10	10
No	NA	Yes		No	Yes
Permanent Extra \$	Extra Cost While Alive and Not On Claim			Permanent Extra \$	Perm Extra \$, Third Pool
Must Keep 2 Yrs for Spouse				Must Leave 1 Year for Spouse	
Extra Cost	NA	Extra Cost		Extra Cost	Included
Claims Pd Beginning of Mo; Proven Amt of Loss Not Required (Bills, Benefit Usage, Etc.)	If Employer Pays for 3+ Employees, Employees Age 66 Get Up to 5 Yr BP w/Simplified UW; Price Same As Preferred Rates			Spouse Security Benefit Pays 60% of Reimb Ben; Benefits for Injury - Up To 2x Reimb.	EP Payback Provision
100% TQ		100% TQ		100% TQ	100% TQ
NA		NA		NA	NA
NA		NA		NA	NA
None	LTCI Guarantee Purchase Option on Life & DI Policies			Annuities	Life

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1 COMPANY NAME	PHYSICIANS MUTUAL			PRUDENTIAL		STATE FARM
2 Policy Type	Home Care Only	Facility Only with HC Rider	Comprehensive	Comprehensive	Comprehensive	Comprehensive
3 Policy Marketing Name	Vista Choices Home Care Only	Vista Choices FC w/HC Rider	Vista Choices Comprehensive	LTC3	LTC EVOLUTION	LTC Insurance Policy
4 Policy Form Number	P147	P148	P146	GRP 113096	GRP 114018	97059
5 Year First LTCI Policy Offered		1988		1999 (1986 Group)		1997
6 Year Current LTCI Policy Was Priced		2008		2004	2008	2007
7 Jurisdictions LTCI Available	AL, AZ, AR, CA, CO, IL, IN, IA, KS, KY, LA, MI, MS, MO, NE, NV, NC, OH, OK, OR, SC, SD, TN, TX, WI, WY			All States & DC		All But MA, NJ, RI
8 State Partnerships (as of January 1, 2010)	12			27 (Incl CT, IN)		16 (Incl CT, IN)
9 Financial Ratings (as of May 1, 2010)						
10 A.M. Best	A			A+		A++
11 Standard & Poor's	Not Rated			AA-		AA
12 Moody's	Not Rated			A2		Aa1
13 Fitch	Not Rated			A+		AA+
14 COMDEX Ranking	Not Ranked			88		98
15 Financials (Millions)						
16 Assets (December 31, 2009)	\$1,539			223,634		\$100,681
17 Surplus (December 31, 2009)	\$799			\$10,042		\$58,180
18 Percent Increase (Assets, Surplus)	7%, 3%			-5%, 56%		9%, 9%
19 LTCI Premium (Millions)						
20 2009 First Year Premium	\$0.8			\$17.9		\$11.1
21 2009 End of Year In-Force Premium	\$54.4			\$153.1		\$167.9
22 Percent Increase (New Business, In-Force)	-43%, -2%			-10%, 9%		-23%, 3%
23 LTCI Lives Insured						
24 2009 First Year Issued	498			7,322		5,942
25 2009 End of Year In-Force	35,473			68,098		122,349
26 Percent Increase (New Business, In-Force)	-47%, -6%			-9%, 6%		-24%, 2%
27 Policy Ranges and EP Terms						
28 Issue Age Range	18 - 79			18 - 79		30 - 79
29 Daily, Weekly or Monthly Benefit Range	\$900 - \$6,000/Month	\$900 - \$9,000/Month	\$1,500 - \$12,000/Month	\$50 - \$500	No Daily/Mo. Max; 20% Co-Pay	\$100-\$500 (Weekly for HC)
30 Benefit Periods and/or Pools	1, 2, 3, 4, 5	1, 2, 3, 4, 5, 8, L	2, 3, 4, 5, 8, L	2, 3, 4, 5, 6, 10, L	10 Pools: \$100K-\$1KK	2, 3, 5, 10, L
31 Elimination Periods	0, 30, 60, 90, 180, 365 (Also 15 for Vista Home Care Only)			30, 60, 90, 120, 180, 365		90 (Zero for Starter Benefit)
32 Vanishing, Cumulative	Yes, Yes			Yes, Yes		Yes, Yes
33 Elimination Period Crediting	Calendar Days	Service Days (Cal Days Extra \$)	Calendar Days	Calendar Days		Service Days
34 Zero-Day HCBC EP with Longer NH EP	Home Care Only	No	No	Extra Cost	No	No
35 Policy Benefits						
36 Number of Benefit Pools, EPs	1, 1			1, 1		1, 1
37 HCBC Payment Basis	Monthly	Daily (Monthly Extra \$)	Monthly	Daily (Monthly Extra \$)	80/20 Co-Pay	Weekly
38 Indemnity Facility, Indemnity HCBC	No, No			No, No		No, No
39 Full Cash (Disability) Benefit	NA			Extra Cost	NA	NA
40 Partial Cash (Disability) Alternative	NA			40% of HC Benefit (Automatic)	NA	NA
41 Additional Cash Benefit	NA	NA	20% (Extra Cost)	NA	\$1,500/Mo. Up to 1 Year	NA
42 Assisted Living (Percent of NH Max)	Home Care Only	100%	100%	100%		100%
43 Home Care Health Aide (Percent of NH Max)	100%	100%	50%, 75%, 100%	50%, 75%, 100%, 150%		100%
44 Independent Professional, Non-Professional	Save, Not Covered			Same, See Cash Alternative	Same, Under Starter Benefit	Same, Not Covered
45 Homemaker Services	Same As Custodial Care			Same As Custodial Care		Same As Custodial Care
46 Informal Care (Other Than Family)	Not Covered			Use Cash Alt (Incl) or Cash Rider For Any Use	Can Use \$1,500/Mo. Starter Benefit For First 12 Months	Not Covered
47 Family Care	Not Covered					Not Covered
48 Benefit Increase Features						
49 Lifetime Compound Increases (Level Premium)	3%, 4%, 5%			3%, 5%		5%
50 Lifetime Simple Increases (Level Premium)	NA			5%		*Makes Pool Larger
51 Other Increases (Level Premium)	5% Compound to 2x			5% Compounded to 2x		NA
52 Increased Before Claims Deducted?	No			Blended Approach		No
53 Future Purchase Options (FPO)	5% Compound/Year Continues Unless On Claim			15% Every 3Yrs Auto; Attained	Auto Pool Incl 25% of Orig Amt	Yes
54 FPO Comments				Age Rates, Unlimited Declines	Every 5Yrs; Alt. Age Rates to Age 76	\$25 of MDB Every 5 Yrs
55 Other Comments				50% Reimbursement & 50% Cash (Extra \$)	Partnership Qual'd Some States Even w/o 5% Comp Increase	From Ages 45-65 If Not Claim-Eligible

STATE FARM	TRANSAMERICA	UNITED OF OMAHA		UNITED SECURITY		
Comprehensive	Comprehensive	Comprehensive	Comprehensive	Comprehensive	Comprehensive	Facility Only with HC Rider
LTC Insurance Policy	Transcare	Assured Solutions Gold Plan	Cash First Plan	Home & Facility Solutions	LifeStyle Solutions	Dual Care
97060, 97061	TLC-1-FP-1001	LTC09U		TQLTC-07	CCL-3000-TQ	QLTC-01 and NQLTC-01
1997	1987	2006		1983		
2007	2008	2009	2008	2008	2008	2001
All But MA, NJ, RI	All But MN & VT	All States & DC		FL, IL, KS, LA, MD, MN, MS, MO, MT, NE, ND, OH, OK, PA, SC, SD, TX, WV		
16 (Incl CT, IN)	28	17		2		
A++	A	A+		B+		
AA	AA-	AA-		Not Rated		
Aa1	A1	Aa3		Not Rated		
AA+	AA	Not Rated		Not Rated		
98	91	96		Not Ranked		
\$100,681	\$101,455	\$14,037		\$106		
\$58,180	\$5,027	\$1,245		\$20		
9%, 9%	-2%, 2%	9%, 4%		63%, -3%		
\$11.1	\$0.9 (Includes \$0.1 of SP)	\$5.6		\$3.6		
\$167.9	\$474.3	\$16.8		\$14.8		
-23%, 3%	7%, -2%	22%, 36%		14%, -4%		
5,942	724	2,840		2,085		
122,349	275,051	8,956		9,096		
-24%, 2%	-20%, -3%	19%, 33%		13%, -8%		
30 - 79	18 - 79	18 - 79		18 - 99	50 - 85	18 - 99
\$100-\$500 (Weekly for HC)	\$50 - \$400	\$1,500-\$15,000/Month	\$1,500-\$9,000/Month	\$20 - \$250	\$50 - \$350	\$20 - \$250
2, 3, 5, 10, L	2, 3, 4, 5, 6, L	2, 3, 4, 5, 6, 8, L	\$50K-\$1KK, Lifetime	1, 2, 3, 4, 5, L		
30, 90, 180	0, 30, 60, 90, 180	0, 30, 60, 90, 180, 365		0, 20, 100, 180	0, 40, 90, 120, 180	0, 20, 100, 180, 365
Yes, Yes	Yes, Yes	Yes, Yes		No, Yes	Yes, Yes	No, Yes
Service Days	Service Days	Calendar Days		Calendar Days		
No	Included	Extra Cost		No		
1, 1	1, 1	1, 1		1 Fixed BP, 1	1, 1	1 Fixed BP, 1
Weekly	Monthly	Monthly		Daily	Monthly	Monthly
No, No	No, No	No, No		No, No		
NA	NA	NA		NA		
NA	10 x MDB/Month (Automatic)	40% of HC (Automatic)* (50% Option)		NA		
NA	NA	NA		NA		
100%	100%	50%, 75%, 100%	6: 50% to 100%	100%		
100%	100%	50%, 75%, 100%	100%, 2x If Prof	50%, 100%	100%	50%, 100%
Same, Not Covered	Both Same As Custodial Care	Both Same As Above		Both Same As Above		
Same As Custodial Care	Same As Custodial Care	Same As Custodial Care		Same As Custodial Care		
Not Covered	Use 33% Cash Alt (Incl) For Any Use	*Cash Alt Available During EP, But Does Not Retire EP		Not Covered		
Not Covered				Not Covered		
5%	3%, 5%	3%, 3.5%, 4%, 4.5%, 5%		5%		
5%	5%	5%		3%, 5%	5%	NA
NA	NA	5% Compound 20 Years; 5% to 2x, 3x or 4x		NA		
No	Yes	No		No		
Yes	5% Step-Rated Benefit Incr Rider	For Non-Incr Policies, Can Add 3% or %5 Comp Incr W/In 5 Yrs of Issue If		NA		
\$25 of MDB Every 5 Yrs From		Not On Claim. Lower Comp Incr Options Can Buy-Up to 5% Until Age 85		NA		
Ages 45-65 If Not Claim-Eligible	Option to Add Permanent Comp Incr in First 5 Yrs. Optl 6-10 Yr Rate Guar	For Cash First 2x Mo. Max for Loss Due to Injury Before Age 65; Addl Not Added to Pool		Home Care Only Is Available	Facility Only Is Available	

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56 COMPANY NAME	PHYSICIANS MUTUAL			PRUDENTIAL		STATE FARM
57 Product Marketing Name	Vista Choices Home Care Only	Vista Choices FC w/HC Rider	Vista Choices Comprehensive	LTC3	LTC EVOLUTION	LTC Insurance Policy
58 Sales Rep/Source for More Info	800-228-9100			800-732-0416		

59 Ancillary Benefits						
60 Bed Reserve Days/Year, Respite during EP?	Home Care Only, No	30+Other, No	60+Other, No	60+Other, 21	80%, Starter During EP	30+Other, 30
61 Alternative Plan of Care (APC)	No (Home Care Only)	Contractual After EP	Contractual After EP	Contractual After EP		Contractual After EP
62 Home Modification	2 x Monthly HC*	1 x Monthly FC*	2 x Monthly FC*	50 x MDB*	100% Up to \$10,000	50 x MDB*
63 Caregiver Training Benefit	20% of Monthly HC*	20% of Monthly FC*	20% of Monthly FC*	Included Above*		5 x MDB/Plan of Care
64 Emergency Alert	2 x Monthly HC*	1 x Monthly HC*	2 x Monthly FC*	Included Above*		25% MDB; Max 12 Mos.
65 Equipment Benefit	Included Above*; Don't Deplete Pool			Included Above*		Included Above*
66 Drug, Ambulance Benefit	NA, \$75/Trip x 4x/Life			NA, Included Above*		NA

67 Claims Issues						
68 Conditional Receipt Protection		Full, After UW Reqt		Full, After UW Reqt		Full, After App
69 Coverage Beyond USA	US Terr & Poss	US Terr & Poss	Int'l (30 Days Prior to EP)	75% (365), Then 40% Cash Alt (Full w/\$ Ben Rider)	No	No
70 Provider Discounts (Directly or Indirectly)	No			Yes		No
71 Care Coordination Available From	Through Network			Client's Choice		Through Network
72 Third Party Limits	None			20 x FC MDB If Client Chooses	None	None

73 Premiums and Discounts						
74 Preferred Discount	15%			15%		10%
75 Substandard Extra Ratings	25%, 50%	25%, 50%, 75%, 100%	25%, 50%, 75%, 100%	25%, 50%		None
76 Two-Spouse, Two-Partner Discounts	30%, 0%			30%, 30%		30%, 0%
77 Requires Identical Coverage?	No			No		No
78 If Spouse is a Surprise Decline?	Reduced			Reduced		Unchanged
79 On First Death?	Unchanged			Unchanged		Unchanged
80 One-Spouse Discount (Only 1 Spouse Applies)	10%			15%		0%
81 Maximum Best UW Class & Spouse Discount	40.50%			40.5%		37%
82 Later Marriage Earns Discount For	Current & New Spouse			Current & New Spouse		Current & New Spouse
83 Most Common Employer, Affinity Discount	5%, 5%			5%, 5%		NA
84 Minimum Size Employer Group, Number Apps	5, 5			2, 2*	2, 2	NA
85 Minimum Size Affinity Group, Number Apps	10, 10			2, 2		NA
86 Credit Card: Frequencies Accepted	M, Q, SA, A (One-time Payment Only)			None		M, Q, SA, A

87 Non-Level Premiums						
88 Fixed Periods	NA			10	NA	NA
89 Paid Up at Ages	NA			65	NA	NA
90 Other Options	NA			Half at 65	NA	NA

91 Waiver of Premium						
92 First Premium Waived (Days)	180 Calendar	90 Service	180 Calendar	Elim		90 Service
93 HCBC Waiver	Yes			Yes		Yes
94 Joint Waiver	Extra Cost			Extra Cost	Not Offered	Not Offered

95 Return of Premium Upon Death (ROP)						
96 ROP Design #1	NA	Net, 100%	Net, 100%	Net, 100%	NA	NA
97 ROP Design #2	NA			NA	NA	NA

98 Other Riders & Features						
99 Paid Up Survivor Benefit	Extra Cost			Extra Cost	Not Offered	Not Offered
100 Both People Must Survive Number of Years	10			10	NA	NA
101 Claim-Free Requirement?	No			Yes	NA	NA
102 Shared Care Benefit	NA	Perm Extra \$, Third Pool	Perm Extra \$, Third Pool	Extra Cost While Alive & Not On Claim. If Pool Depleted, Spouse <91 & No Claim in 2 Years Can Buy 2Yr BP (Evolution: Up to 50%, Not >\$300K)		NA
103 Other Shared Care Aspects						
104 Restoration of Benefits	Included	Extra Cost	Included	Included		Included

105 Other Comments	\$1,000 Cash Payment Upon Eligibility Without Having to Satisfy the Elimination Period			*Simplified Issue w/7 Employee Apps If <200. Requires 4% of Employees to Apply If >199		

106 Non-Tax-Qualified Policies (NTQ)						
107 NTQ: Percent of Sales, Extra Cost	100% TQ	100% TQ	8%, 12%	100% TQ		100% TQ
108 NTQ: Facility Trigger	NA	NA	Triple/2 ADL	NA		NA
109 NTQ: Home Care Trigger	NA	NA	Double/2 ADL	NA		NA

110 Combination Policies Offered	None			Annuities		None

STATE FARM	TRANSAMERICA	UNITED OF OMAHA		UNITED SECURITY		
LTC Insurance Policy	Transcare	Assured Solutions Gold Plan	Cash First Plan	Home & Facility Solutions	LifeStyle Solutions	Dual Care
	cgolden@aegonusa.com	800-693-6083		800-872-3044		

30+Other, 30	60+Other, 30	30+Other, 30		30, 21	20, 20	30, 21
Contractual After EP	Contractual After EP	Contractual After EP		Contractual After EP		
50 x MDB*	50 x MDB*	2 x Mo Max If Care Coord Is Used*		180 x FC MDB	APC up to 50 x MDB*	180 X FC MDB
5 x MDB/Plan of Care	10 x MDB*	2 x Monthly Max		5 x HC MDB		
25% MDB; Max 12 Months	*Incl w/Home Mod; 50% of MDB/Mo	*Incl w/Home Mod 2X Mo Max If Care Coord Is Used		25% HC MDB; Max \$50/Mo	Included Above*	25% HC MDB; Max \$50/Mo
Included Above*	*Included w/Home Mod	*Included w/Home Mod		180 x FC MDB	Included Above*	180 x FC MDB
NA	NA	NA		\$200 Drugs/Mo x 3 Mo, NA	Included Above*	\$200 Drugs/Mo x 3 Mo, NA

Full, After App	Full, After App	Full, After UW Reqt		No		
No	Canada (Elsewhere Use Cash Alt)	International (365)		No		
No	No	No		No		
Through Network	Client's Choice*	Client's Choice*		No Coordination	Through Network	No Coordination
None	None	None		No Coordination	None	No Coordination

10%	10%	15%		20%	10%	20%
None	25%, 50%, 75%	25%, 50%		28%, 60%, 140%	60%, 100%	28%, 60%, 140%
30%, 0%	40%, 40%	35%, 10%		Either: 10% Off Higher Premium		Either: 10% Off Higher Premium
No	Yes	No		No		
Unchanged	Unchanged	Reduced		Lost	Unchanged	Lost
Unchanged	Unchanged	Unchanged		Unchanged		
0%	0%	15%		0%	15%	0%
37%	40%	45%		20% (More If Ages Differ)	30%	20% (More If Ages Differ)
Current & New Spouse	New, If Buys Same Benefits	Current & New Spouse		New Spouse	Current & New Spouse	New Spouse
NA	10%, 10%	10%, 5%		NA	10%, 10%	NA
NA	\$, Based On High Potential Employees	10, 3		NA	5, 2	NA
NA	Varies Based On Association	3, 3		NA	5, 2	NA
M, Q, SA, A	M, Q, SA, A (First Payment Only)	None		None	M, Q, SA, A	None

NA	1, 10	1, 10, 20, and Paid Up at 65		NA		
NA	65	Start at 70%, 80% or 90% of Normal; Level Increase to Age 65,		NA		
NA	NA	Then Level Until Paid Up at 85		NA		

90 Service	Elim	Elim		Elim + 90	Elim	Elim + 90
Yes	Yes	Yes		Yes		
Not Offered	Extra Cost	Extra Cost		Extra Cost	Not Offered	Extra Cost

NA	Net, 100%	Net, 100%		NA		
NA	NA	NA	Full, 100%	NA		

Not Offered	Not Offered	Extra Cost		Extra Cost	Not Offered	Extra Cost
NA	NA	10		10	NA	10
NA	NA	No		No	NA	No
NA	NA	Permanent Extra \$		NA		
		Must Leave 1 Year for Spouse				
Included	Included	Extra Cost		Included	NA	Included

	No War Exclusion	Benefits for Injury - Up To 2x Reimbursement, Not Carried Forward; Optional 6-10 Year Rate Guarantee				

100% TQ	100% TQ	100% TQ		79%, 4%	100% TQ	79%, 4%
NA	NA	NA		Double/2 ADL	NA	Double/2 ADL
NA	NA	NA		Double/2 ADL	NA	Double/2 ADL

None	None	Annuities		None		

2010 Long Term Care Insurance Survey

90-Day Elimination / Lifetime Benefit - Single Insured

	Without Benefit Increases				5% Compound Benefit Increases			
	Age 40	Age 50	Age 60	Age 70	Age 40	Age 50	Age 60	Age 70
Assurity Life	\$528	\$618	\$1,055	\$2,148	\$1,979	\$1,699	\$2,215	\$3,608
Bankers Life (GR-N620)	465	760	1,368	3,080	2,642	3,184	4,091	6,454
Bankers Life (GR-N650)	662	1,079	1,932	4,293	3,739	4,473	5,725	8,964
Berkshire Life (Care ProVider)	332	535	991	2,473	1,161	1,472	2,231	4,328
Berkshire Life (LTC Choice ProVider)	376	613	1,066	2,978	1,503	1,839	2,504	5,063
Country Life (Comprehensive)	529	721	1,172	3,123	2,047	2,244	2,743	5,152
Country Life (Facility Only)	439	586	930	2,444	1,610	1,759	2,134	3,990
Genworth (Classic Select)	837	863	1,317	3,130	1,847	1,978	2,784	5,037
Genworth (Privileged Choice)	888	936	1,416	3,360	1,987	2,116	2,993	5,404
Knights of Columbus (Comprehensive)	330	608	1,060	2,560	1,230	1,733	2,420	4,482
Knights of Columbus (Facility Only)	172	316	657	1,792	614	865	1,441	3,012
MassMutual (500 Series)	758	813	1,229	2,942	1,979	2,075	2,735	5,142
MedAmerica	416	764	1,491	3,274	2,276	2,986	4,158	6,487
Mutual of Omaha	741	921	1,342	3,528	2,150	2,294	2,926	6,068
New York Life	310	589	1,188	2,616	1,231	1,955	3,052	5,113
Physicians Mutual (Vista Choices FC with HC Rider)	508	647	1,095	2,510	1,895	2,272	3,220	5,573
Physicians Mutual (Vista Choices Comprehensive)	578	738	1,248	2,861	2,018	2,419	3,433	5,951
Prudential (LTC3)	776	900	1,432	3,512	1,786	2,039	2,872	5,759
State Farm Mutual Auto	580	693	1,306	3,230	2,358	2,618	3,115	5,359
Transamerica (Transcare)	648	1,008	1,583	3,760	2,116	2,883	3,809	6,776
United of Omaha (Assured Solutions Gold Plan)	756	940	1,369	3,599	2,193	2,340	2,984	6,190
United Security (Home & Facility Solutions)	915	915	1,188	2,402	2,702	2,974	3,608	5,025
United Security (LifeStyle Solutions)	715	838	1,338	3,039	1,919	2,181	3,018	5,151
United Security (Dual Care)	757	818	977	2,165	1,426	1,558	1,830	3,643

90-Day Elimination / Lifetime Benefit - Married Couple

Assurity Life	\$633	\$742	\$1,265	\$2,577	\$2,374	\$2,039	\$2,658	\$4,330
Bankers Life (GR-N620)	605	988	1,778	4,004	3,435	4,139	5,319	8,391
Bankers Life (GR-N650)	869	1,424	2,602	6,040	4,910	5,902	7,712	12,609
Berkshire Life (Care ProVider)	431	696	1,289	3,215	1,510	1,914	2,900	5,626
Berkshire Life (LTC Choice ProVider)	451	736	1,279	3,574	1,804	2,207	3,005	6,076
Country Life (Comprehensive)	706	961	1,563	4,165	2,729	2,992	3,657	6,870
Country Life (Facility Only)	585	781	1,240	3,259	2,147	2,345	2,845	5,319
Genworth (Classic Select)	1,046	1,079	1,646	3,913	2,308	2,472	3,480	6,296
Genworth (Privileged Choice)	1,110	1,170	1,770	4,200	2,483	2,644	3,741	6,754
Knights of Columbus (Comprehensive)	561	1,034	1,802	4,353	2,091	2,946	4,115	7,620
Knights of Columbus (Facility Only)	292	538	1,117	3,047	1,044	1,471	2,449	5,121
MassMutual (500 Series)	986	1,056	1,598	3,824	2,573	2,697	3,555	6,685
MedAmerica	500	917	1,789	3,929	2,731	3,583	4,990	7,784
Mutual of Omaha	964	1,198	1,745	4,587	2,795	2,983	3,803	7,889
New York Life	527	1,001	2,019	4,447	2,092	3,323	5,188	8,692
Physicians Mutual (Vista Choices FC with HC Rider)	711	906	1,533	3,515	2,653	3,181	4,508	7,803
Physicians Mutual (Vista Choices Comprehensive)	810	1,032	1,748	4,006	2,826	3,386	4,807	8,332
Prudential (LTC3)	1,087	1,261	2,005	4,917	2,500	2,854	4,021	8,063
State Farm Mutual Auto	812	970	1,828	4,522	3,302	3,664	4,360	7,502
Transamerica (Transcare)	764	1,189	1,868	4,436	2,497	3,402	4,494	7,994
United of Omaha (Assured Solutions Gold Plan)	983	1,222	1,780	4,678	2,851	3,042	3,879	8,047
United Security (Home & Facility Solutions)	1,739	1,739	2,257	4,565	5,133	5,651	6,855	9,547
United Security (LifeStyle Solutions)	1,144	1,342	2,142	4,862	3,070	3,490	4,828	8,241
United Security (Dual Care)	1,438	1,555	1,856	4,113	2,709	2,959	3,478	6,922

90-Day Elimination / Three-Year Benefit - Single Insured

	Without Benefit Increases				5% Compound Benefit Increases			
	Age 40	Age 50	Age 60	Age 70	Age 40	Age 50	Age 60	Age 70
Assurity Life	\$332	\$389	\$664	\$1,353	\$1,247	\$1,071	\$1,395	\$2,273
Bankers Life (GR-N620)	268	421	749	1,691	1,395	1,674	2,150	3,419
Bankers Life (GR-N650)	357	561	996	2,231	1,849	2,219	2,851	4,508
Berkshire Life (Care ProVider)	199	321	595	1,484	697	883	1,338	2,597
Berkshire Life (LTC Choice ProVider)	226	368	639	1,787	902	1,103	1,503	3,038
Country Life (Comprehensive)	319	431	689	1,755	1,285	1,411	1,735	2,913
Country Life (Facility Only)	251	329	505	1,267	913	998	1,220	2,036
Genworth (Classic Select)	305	341	460	1,048	754	866	1,077	2,074
Genworth (Privileged Choice)	471	497	715	1,700	989	1,090	1,430	2,721
John Hancock (Custom Care II Enhanced)	326	452	728	1,733	1,452	1,685	2,048	3,188
John Hancock (Leading Edge)	297	423	738	1,845	1,422	1,647	2,070	3,303
Knights of Columbus (Comprehensive)	200	363	626	1,490	724	1,016	1,415	2,612
Knights of Columbus (Facility Only)	130	235	407	1,049	452	634	883	1,755
MassMutual (500 Series)	394	423	639	1,530	1,029	1,079	1,422	2,674
MetLife (VIP2 Ideal)	292	446	761	1,484	1,454	1,720	2,137	2,880
MetLife (VIP2 Value)	282	428	725	1,409	1,410	1,668	2,072	2,793
Mutual of Omaha	363	453	667	1,750	1,052	1,127	1,454	3,010
New York Life	174	338	698	1,578	671	1,083	1,727	2,947
Physicians Mutual (Vista Choices HC Only)	217	277	470	1,074	699	828	1,208	2,191
Physicians Mutual (Vista Choices FC with HC Rider)	310	395	668	1,531	998	1,181	1,717	3,124
Physicians Mutual (Vista Choices Comprehensive)	353	450	761	1,745	1,062	1,260	1,828	3,333
Prudential (LTC3)	454	527	838	2,055	1,045	1,193	1,680	3,369
State Farm Mutual Auto	338	421	746	1,886	1,362	1,533	1,750	3,077
Transamerica (Transcare)	303	484	762	1,680	991	1,384	1,834	3,028
United of Omaha (Assured Solutions Gold Plan)	370	462	681	1,785	1,073	1,150	1,484	3,071
United Security (Home & Facility Solutions)	510	572	722	1,584	1,452	1,602	1,971	2,772
United Security (LifeStyle Solutions)	409	479	747	1,697	1,019	1,169	1,589	2,816
United Security (Dual Care)	510	563	678	1,470	959	1,047	1,241	2,420

90-Day Elimination / Three-Year Benefit - Married Couple

Assurity Life	\$399	\$467	\$797	\$1,624	\$1,496	\$1,285	\$1,674	\$2,728
Bankers Life (GR-N620)	348	548	974	2,198	1,814	2,176	2,795	4,444
Bankers Life (GR-N650)	468	736	1,329	3,047	2,428	2,913	3,802	6,161
Berkshire Life (Care ProVider)	259	417	773	1,929	906	1,148	1,740	3,376
Berkshire Life (LTC Choice ProVider)	271	441	767	2,144	1,082	1,324	1,803	3,646
Country Life (Comprehensive)	425	574	919	2,340	1,713	1,881	2,314	3,884
Country Life (Facility Only)	335	438	674	1,690	1,217	1,331	1,626	2,714
Genworth (Classic Select)	358	401	541	1,233	887	1,019	1,267	2,440
Genworth (Privileged Choice)	589	621	894	2,125	1,236	1,362	1,788	3,401
John Hancock (Custom Care II Enhanced)	472	653	1,052	2,503	2,097	2,434	2,958	4,605
John Hancock (Leading Edge)	429	611	1,066	2,665	2,054	2,379	2,990	4,771
Knights of Columbus (Comprehensive)	340	617	1,064	2,548	1,230	1,728	2,406	4,440
Knights of Columbus (Facility Only)	221	401	692	1,784	768	1,078	1,501	2,884
MassMutual (500 Series)	513	549	831	1,989	1,338	1,402	1,849	3,476
MetLife (VIP2 Ideal)	389	595	1,015	1,979	1,939	2,293	2,849	3,840
MetLife (VIP2 Value)	376	570	967	1,878	1,880	2,224	2,763	3,724
Mutual of Omaha	471	589	867	2,275	1,367	1,465	1,891	3,914
New York Life	296	574	1,187	2,682	1,141	1,841	2,935	5,010
Physicians Mutual (Vista Choices HC Only)	304	388	658	1,504	979	1,159	1,698	3,067
Physicians Mutual (Vista Choices FC with HC Rider)	434	553	935	2,144	1,397	1,653	2,404	4,374
Physicians Mutual (Vista Choices Comprehensive)	494	630	1,066	2,443	1,487	1,763	2,559	4,667
Prudential (LTC3)	636	737	1,173	2,876	1,462	1,670	2,353	4,717
State Farm Mutual Auto	474	590	1,044	2,640	1,908	2,146	2,450	4,308
Transamerica (Transcare)	358	571	899	1,983	1,170	1,633	2,164	3,572
United of Omaha (Assured Solutions Gold Plan)	481	600	885	2,321	1,394	1,495	1,929	3,992
United Security (Home & Facility Solutions)	970	1,087	1,371	3,010	2,759	3,043	3,745	5,267
United Security (LifeStyle Solutions)	654	766	1,196	2,715	1,630	1,870	2,542	4,505
United Security (Dual Care)	970	1,070	1,287	2,792	1,822	1,990	2,358	4,598

2010 Long Term Care Insurance Survey

90-Day Elimination / \$100,000 Benefit Pool - Single Insured

	Without Benefit Increases				5% Compound Benefit Increases			
	Age 40	Age 50	Age 60	Age 70	Age 40	Age 50	Age 60	Age 70
American General	\$483	\$545	\$845	\$2,020	\$1,139	\$1,276	\$1,749	\$3,312
Genworth (<i>Cornerstone Advantage</i>)	504	528	768	1,824	1,058	1,159	1,525	2,925
MedAmerica	254	466	917	2,017	1,303	1,716	2,404	3,744
MetLife (<i>LifeStage Advantage</i>)	306	457	753	1,424	1,542	1,792	2,157	2,829
Prudential (<i>LTC Evolution</i>)	369	562	954	1,908	1,544	1,771	2,172	3,304
United of Omaha (<i>Cash First Plan</i>)	364	453	667	1,753	1,056	1,129	1,453	3,015

90-Day Elimination / \$100,000 Benefit Pool - Married Couple

American General	\$643	\$727	\$1,127	\$2,693	\$1,518	\$1,702	\$2,333	\$4,417
Genworth (<i>Cornerstone Advantage</i>)	630	660	960	2,280	1,323	1,449	1,906	3,656
MedAmerica	305	559	1,100	2,421	1,563	2,059	2,885	4,493
MetLife (<i>LifeStage Advantage/VIP2 Value/VIP2 Ideal</i>)	408	610	1,003	1,899	2,056	2,389	2,876	3,772
Prudential (<i>LTC Evolution</i>)	516	786	1,335	2,671	2,161	2,480	3,040	4,626
United of Omaha (<i>Cash First Plan</i>)	473	590	867	2,279	1,373	1,468	1,889	2,919

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in stages. For example, if they have a 180 day EP and need qualified care for 100 days and then recover, their remaining EP would be 80 days. A vanishing EP means that once the EP is satisfied, it never has to be satisfied again. One carrier offers products with non-vanishing EPs and another offers a non-cumulative EP.

Calendar Day EP is becoming more common. Nine insurers have products that include a calendar day EP automatically. Calendar day EP costs more than service day EP, but it has the following advantages:

- *Clarity.* Unfortunately, even if clients understand service day EP today, they may forget by the time they go on claim. A calendar day EP may reduce the potential for disputes.

- *Flexibility.* It is hard to predict finances, family status and preferences at the time of a future claim. Calendar-day EP allows the family to satisfy the EP with family care or perhaps informal care that would not satisfy a service day EP.

- **Policy Benefits** (rows 35-47). Row 36 shows whether home care and adult day care have a different *benefit pool* (and EP) from facility care. The first number

represents the number of benefit pools; the second represents the number of EPs. A product can have two different benefit periods but a single pool. That is, a shorter home care BP could deplete part of a longer facility BP.

Row 37 shows how *home and community based care (HCBC) benefits* are determined. For policies that limit benefits to incurred expenses (reimbursement policies), monthly determination of benefit payments allows more benefit flexibility than does daily determination. With monthly determination, if less than any daily maximum is used one day, the unused amount for that day can fund additional reimbursement for a day in that month on which more than the daily maximum is spent. One policy has neither a daily nor a monthly maximum, but rather a lifetime maximum with a 20 percent co-pay.

An indemnity provision pays the full daily benefit on days when a qualified service is incurred, even if that full benefit exceeds the qualified expense. On days when there is no qualified expense, no benefit is paid. However, the term "indemnity" has been used in a variety of ways in the LTCI industry.

A disability provision (often called a cash benefit) pays the full benefit if the person satisfies the policy triggers, even if no qualified expense is incurred.

Row 38 indicates whether the *facility benefit* is an indemnity benefit and, separately, whether the home care benefit is indemnity-based, each either automatically or optionally at additional cost.

Row 39 shows whether a product is sold with a *disability benefit* automatically or as an optional feature.

Row 40 shows whether a product automatically includes or offers an *alternative* that allows a client to accept a lower benefit that is disability-based, rather than having the full reimbursement benefit available. For example, if a caregiver is a teacher and can provide all the care needed during the summer, the client might use their alternative cash benefit at that time, then shift back to reimbursement benefits during the school year.

Row 41 shows whether a product includes or offers, at *additional* cost, to pay a disability benefit in *addition* to the normal reimbursement benefit.

Rows 42 and 43 indicate the ratio of the maximum daily benefit for *assisted living*

claims (row 42) and home care claims (row 43) as a percentage of the maximum daily benefit for a nursing home claim. Entries of 100 percent in these rows indicate that the maximum daily benefit is the same for all levels of care. Some companies offer home care benefits that can exceed facility benefits.

Row 44 indicates coverage for *independent professionals* (such as nurses not affiliated with a home care agency) and also coverage for *independent non-professionals* (someone without professional credentials who earns money by providing personal care, but is not employed by a home care agency). "Same" indicates that the same maximum benefit applies for an independent professional as for someone employed by a home care agency. Some products don't cover such services directly, but excess indemnity benefit (the difference between the full daily indemnity which is paid and the amount of qualified expenses that would be covered on a reimbursement basis) or alternative cash benefits could be used to pay for such services.

Row 45 describes *homemaker coverage*. Some products cover homemaker services only if they are incidental, which generally means that homemaker services must be provided by the same person who provides personal care and during the same visit.

Rows 46 and 47 describe whether (how) benefits might be used to pay an *informal caregiver* such as a neighbor or a family caregiver. These rows do not reflect caregiver training services (see ancillary benefits).

• **Benefit Increase Features** (rows 48-54) describe level premium automatic benefit increase features and future purchase options (FPO) which result in either attained age, or less steep, premium increases.

Rows 49 (*compound increases*) and 50 (*simple increases*, i.e. equal) show level premium features which increase maximum benefits as long as the policy exists.

Row 51 shows level premium benefit increases which level off at some point. A "yes" listing in row 52 means that compounding ignores *claims*, and then the sum of past claims is deducted to determine the remaining lifetime maximum benefit.

With such a policy, if an insured draws full benefits each day, a five-year benefit period would extend to five years, 8 months and an eight-year benefit period would extend to nearly 10 years. If the pool is increased after claims are deducted, the nominal benefit period remains constant during the claim period if the policyholder uses full benefits each day. A "blended approach" means that the most recent year's claims are not deducted prior to determining the amount of the increase.

Rows 53 and 54 describe *FPOs* and stepped features, in which future increases in coverage generate premium increases as well.

The abbreviations in Table 11 (on page 9) and Table 12 are used to convey the frequency and amount of the increases, when such offers stop and how premiums increase when benefits increase. It is not possible to fully explain such features in limited space.

• **Other Comments** (rows 55 and 105). See row 105, which follows.

• **Ancillary Benefits** (rows 59-66) provides information regarding bed reservation, respite, alternative plan of care, home modification, caregiver training, emergency alert, equipment, drug and ambulance benefits.

The *bed reservation* and *respite benefits* (row 60) show the number of bed reservation days per policy year, and "+Other" means bed reservation is not limited to situations in which the insured person is hospitalized.

The table also indicates how many days of respite benefits are available without satisfying the EP. Respite relieves a family caregiver who keeps the care recipient off claim. If such a caregiver needs a "break" or to take a trip, it would be aggravating to face an EP that would have already been satisfied if the family had hired a commercial caregiver in the past.

A calendar day EP can be satisfied while the family caregiver provides care. By the time respite is needed, the EP should be over. Thus, a calendar day EP makes a respite care benefit nearly meaningless.

"APC" entries indicate that the feature is part of an *alternative plan of care benefit*. APC

Table 12
Description of Benefit Increase Abbreviations

Abbreviation	Meaning
15%/3Years	15% Increase Offered Every Three Years
Att Age	Attained Age
Auto	Automatically Applied
Clm;	Claim;
Clm-Elig	Claim Eligible
Constant	Premium Increases
Prem/MDB	Percentage as the MDB
Conv @ 65	Client Can Convert to a Typical Increase Rider at Age 65
Incr BP or Lower EP	Can Move to Next Longer BP and/or
1 Step	Next Lower EP
Incr in Prem	Increase in Premium
Init Ben	Initial Benefit
Orig MDB	Original Maximum Daily Benefit
Prem	Premium
Prem/MDB	Premium Per \$10 of MDB (<i>Constant Prem/MDB Means the Premium Increases Proportionately</i>)
x; 2x	Multiplied by; Two Times
Unlim	Offers Without UW
Declines	Continue No Matter How Often Declined
UW	Underwriting

typically requires satisfying the EP before obtaining benefits. Satisfaction of an EP is less likely to be required for other ancillary benefits. To find out if an EP must be satisfied, ask the carrier.

Frequently, two or three types of ancillary benefits share a combined maximum benefit. "Incl above" identifies such packaged benefits. Items that are asterisked are linked in such fashion. We also asterisk items provided as part of enhanced care coordination. In such cases, we put a corresponding asterisk in the Care Coordination row.

Ancillary benefits are often limited to a percentage of the daily/monthly facility/home care benefit. The ancillary benefits are lifetime maximums unless there is a "/ yr,"

"/mo," or "/plan" indication.

- **Claims Issues** (rows 67-72). *Conditional receipt protection* describes if/how the insurer protects an applicant for change of health that occurs subsequent to signing the application. "Full, after app" indicates that conditional coverage starts on the date of application. "Full, after UW reqt" means that coverage starts after underwriting requirements are completed. "Limited" implies that there are some restrictions—perhaps there is no conditional coverage for some health conditions.

Readers are advised to review carriers' specific wording and ask questions. For example, for joint policies, neither applicant may have conditional coverage unless both applicants qualify as applied.

Coverage beyond USA (row 69) reflects the maximum number of days of international coverage. For example, "International (90)" means that, outside the United States, 90 days of coverage are available. "NH 75% / 4 yrs" means that benefits are paid for nursing home confinement up to 75 percent of the MDB with a four-year benefit period. "75% (365)" means international coverage pays up to 75 percent of the daily benefit for up to 365 days. Some reimbursement policies provide a disability (cash) benefit when the claim is foreign.

Some carriers' claimants may currently benefit from negotiated *discounts* from LTC providers (row 70). Such discounts cannot be guaranteed today to exist in the future.

Care coordination (rows 71-72) describes whether care coordination is available and if so, whether it is provided by insurer staff, independent professionals contracted by the insurer, or by someone chosen by the insured. The display also shows limitations regarding care coordination, and asterisks indicate that the use of care coordination improves benefits asterisked elsewhere in the display.

- **Premiums and Discounts** (rows 73-86) list the percentage discount for the insurer's lowest-priced rating classification compared to its second-lowest-priced rating classification (often called "preferred" versus "standard") (row 74) and the percentage extra cost (also compared to the second-

lowest-priced rating classification) for any other rating classifications (row 75).

Row 76 shows the amount of discount if *both spouses* or a pair of significant others purchase coverage. If couples' discounts require that both people have the same coverage, there is a "yes" in row 77. A decline for a reason other than a knock-out health condition that would have kept the application from being submitted is called a "surprise" decline. When one spouse is a surprise decline, some carriers remove or reduce the discount for the other spouse (row 78). Row 79 indicates whether the discount is lost for the survivor after the first death.

We show the discounts that apply for a married person whose *spouse does not apply* (row 80), and row 81 indicates the maximum discount that a couple the same age, both in the most favorable risk classification and both buying, can get compared to two people who are single and in the second-most-favorable risk classification.

Later marriage earns discount for (row 82) indicates what happens if a person buys LTCI while single, then marries someone who buys LTCI. The current insured's original premium may be reduced prospectively *and* the new spouse may enjoy a full "married couple, both buy" discount.

There are many other subtleties relative to couples' discounts, such as what happens if there is a knock-out decline, if one policy lapses, if a single person gets a non-spouse partner, if there is a divorce or legal separation, and whether they can apply to other family members living together.

Row 83 indicates the most common *employer and affinity discounts*. Row 84 shows the *minimum number of employees* a business must have to be eligible for a discount and the minimum number of applications required for the employee group to earn the discount. Row 85 shows the *minimum number of members* an affinity group must have to be eligible for a discount and the minimum number of applications required for the group to earn the discount.

Row 86 shows for what payment frequencies (if any) *credit cards* are acceptable. If credit card payment is limited to the first

payment, such limitation is indicated in the display.

- **Non-Level Premiums** (rows 87-90) show alternative premium patterns that result in the policy being paid up or premiums grading up or eventually lowering, in ways that are not related to benefit increases.

- **Waiver of Premium** (rows 91-94) might begin (row 92) after:

- a specified number of service or calendar days or
- satisfaction of the EP or a specified number of service days after satisfaction of the EP.

Home care waiver of premium (row 93) may or may not be provided or may be offered at additional cost.

Joint waiver (row 94) may be automatically included, available at additional cost by itself, available at additional cost combined with another feature such as survivorship (not reflected in the display) or included only with shared care.

- **Return of Premium Riders** (rows 95-97). *Each company was permitted to detail two ROP riders*. "Net" means premiums are only returned to the degree that they exceed claims. "Full" means that all premiums are returned regardless of claim activity. "100%" means the full calculated amount is paid no matter when the insured person dies. "Grades to" indicates that the death benefit grades up to, or down to, the indicated percentage of the full calculated amount by a specified duration or attained age. With joint policies, claims from both insureds may be offset against the joint premiums and the death benefit may be paid only upon the second death. ROP riders may not be available on policies with shared benefits.

- **Other Riders and Features** (rows 98-104). *Survivorship* features (survivor pays no premium after the partner's death) (rows 99-101) are described, indicating whether they are automatically included or optional, how long both partners must survive for survivorship to apply upon the first death, and whether a requirement exists that the insureds had no claim for that specified period.

Shared care (row 102) shows what happens

to the survivor's shared care premium when one spouse dies. "Permanent Extra \$" means that survivors continue to pay their shared care extra premium. "Extra cost if alive and not on clm" indicates that survivors stop paying the premium for the shared care rider (but continue to pay the premium for the base policy unless the survivorship benefit waives the premium).

Most commonly, each insured has access to the other insured's unused benefits if they use up their own benefits. However, in some cases, each partner has his or her own pool and a third common pool is provided by rider, in which case "Third Pool" is shown in row 102.

Row 103 describes *other shared care aspects*. For example, joint waiver of premium might automatically apply. Third-pool shared care features do not permit a claimant to invade the normal benefit pool of their spouse. When shared care does not involve a third pool, row 103 notes whether the insurer requires a claimant to leave a portion of the spouse's benefit period untouched, so that the spouse is assured of having one or two years of coverage if needed. (Note: Some states mandate such "protection" for the spouse; state mandates are not reflected in the display.) Generally, such a requirement expires on the spouse's death. In some shared care provisions, if a claimant depletes a spouse's pool, a non-claimant spouse below a specified age is permitted to buy a two- or three-year benefit period policy without providing health evidence.

Whether *restoration of benefits* is automatically included or available at additional cost is reflected in row 104. Restoration of benefits restores the original benefit period if, generally, a claimant has not been chronically ill for a period of 180 days.

• **Other Comments** (rows 55 and 105) allow us to provide some unique informa-

tion about some insurers' products, which may include:

- Special discounts or the availability of dividends.
- Special underwriting programs (e.g., for worksite cases).
- Premium guarantees, electronic apps or other service features.
- Special features or riders, the availability of home care only or facility only coverage, absence of war exclusion, etc.

• **Non-Tax-Qualified Policies** (NTQ) (rows 106-109) provides information about NTQ policies, which do not qualify under HIPAA because their claims triggers are broader than permitted for tax-qualified (TQ) policies. Row 107 indicates either "100% TQ" or shows the *percentage of sales which are NTQ* and the *additional premium required* (ranges from 4% to 12%).

Rows 108-109 show the type of *facility and home care triggers*. "Triple trigger" means that a medical necessity trigger is available as an alternative to ADL and cognitive impairment triggers.

• **Combination Policies Offered** (row 110) shows the types of combo policies that the insurer has available. Combo products offer LTCI benefits in the same policy as life insurance, annuity or disability benefits.

Premium Exhibit Details

The amounts shown in the premium exhibit (charts on page 60 through 64) are based on each carrier's lowest-priced underwriting class. The percentage of policies in this class ranges from 8 to 100 percent, so the prices should not be presumed to be comparable. The exhibit shows level annual lifetime premiums for issue ages 40, 50, 60 and 70 for married couples (assuming both buy and are the same age) and for single people, for policies with the following features:

- \$100 per day (or equivalent weekly or

monthly) facility benefit including, if available, \$100 per day for assisted living facilities and home care. The exhibit includes home care only and facility only policies, as well as comprehensive policies.

- 90-day (or closest thereto) elimination period.

• Three-year benefit period (lifetime maximum benefit: \$109,500). Some products may have shorter BP for home care benefits. We also show lifetime benefit period premiums.

Policies based on a defined lifetime maximum, rather than a benefit period, are listed separately and the maximum lifetime benefit is \$100,000.

• No automatic benefit increases and, separately, automatic annual compound benefit increases for life. The automatic benefit increases are typically five percent compound, but one product does not offer five percent compound option, so we show a lifetime level premium with a CPI increase feature for that product.

If one spouse was younger, most insurers' premiums for the couple would be lower, but some insurers' premiums would remain unchanged because their price is based solely on the older person's age.

Closing

We thank insurance company staff for submitting the data and responding to questions promptly. We also thank Nicole Gaspar of Milliman for managing the data.

We have reviewed company submissions for reasonableness and companies have reviewed their displayed information. Nonetheless, we cannot be sure that every piece of data is accurate.

If you have suggestions for improving this survey (including new entrants in the market), please contact one of the authors by phone or email. 📧