

Long Term Care Insurance

A Voluntary Program Offered to IEBP Members

presented by

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Program Details

- ✓ TML Multi-State IEBP created RFP for a voluntary long term care program in 2015
- ✓ ACSIA Partners was chosen for implementation and enrollment based on educational focus and experience with similar organizations
- ✓ LifeSecure was selected as the carrier based on pricing, plan design and underwriting concessions

Program Partners



- The nation's largest long term care agency
- Strong commitment to educational approach
- National footprint with broad coverage in TX
- Significant experience with large worksite implementations



- Wholly-owned by Blue Cross/Blue Shield of Michigan
- Easy-to-use coverage plan design
- Competitive rates
- Reduced health screening for employees and working spouses



What Is Long Term Care?



The need for assistance with activities of daily living (ADLs) caused by:

1. Physical impairment – illness, injury, or aging

OR

2. The need for supervision due to a severe cognitive impairment such as Alzheimer's Disease

ADLs include bathing, dressing, toileting, transferring, continence, and eating.

Why Might We Need Care?

Young or old, long term care insurance picks up where health insurance leaves off

Injuries

- Auto/motorcycle accidents
- Skiing
- Horseback riding
- Diving
- Extreme sports
- Work accidents
- And more

Health Conditions

- Stroke and heart attack
- Cancer
- Diabetes
- Arthritis and osteoporosis
- Alzheimer's, Parkinson's
- Aging

Care Settings and Costs

At Home

Austin - \$22

Dallas - \$19

Houston - \$20

San Antonio - \$20

*hourly rates

Assisted Living Facilities

Austin - \$49,968

Dallas - \$47,377

Houston - \$44,104

San Antonio - \$47,754

*median annual rate

Nursing Home

Austin - \$84,315

Dallas - \$78,475 median annual rate

Houston - \$83,220

San Antonio - \$73,000

*median annual rate



A Growing Challenge



**Baby Boomers
over 65 in the US¹**

- 40 million in 2010
- 55 million in 2020
- 70 million in 2030 — roughly 20% of the US population
- Life expectancy for those surviving until 65 is 85

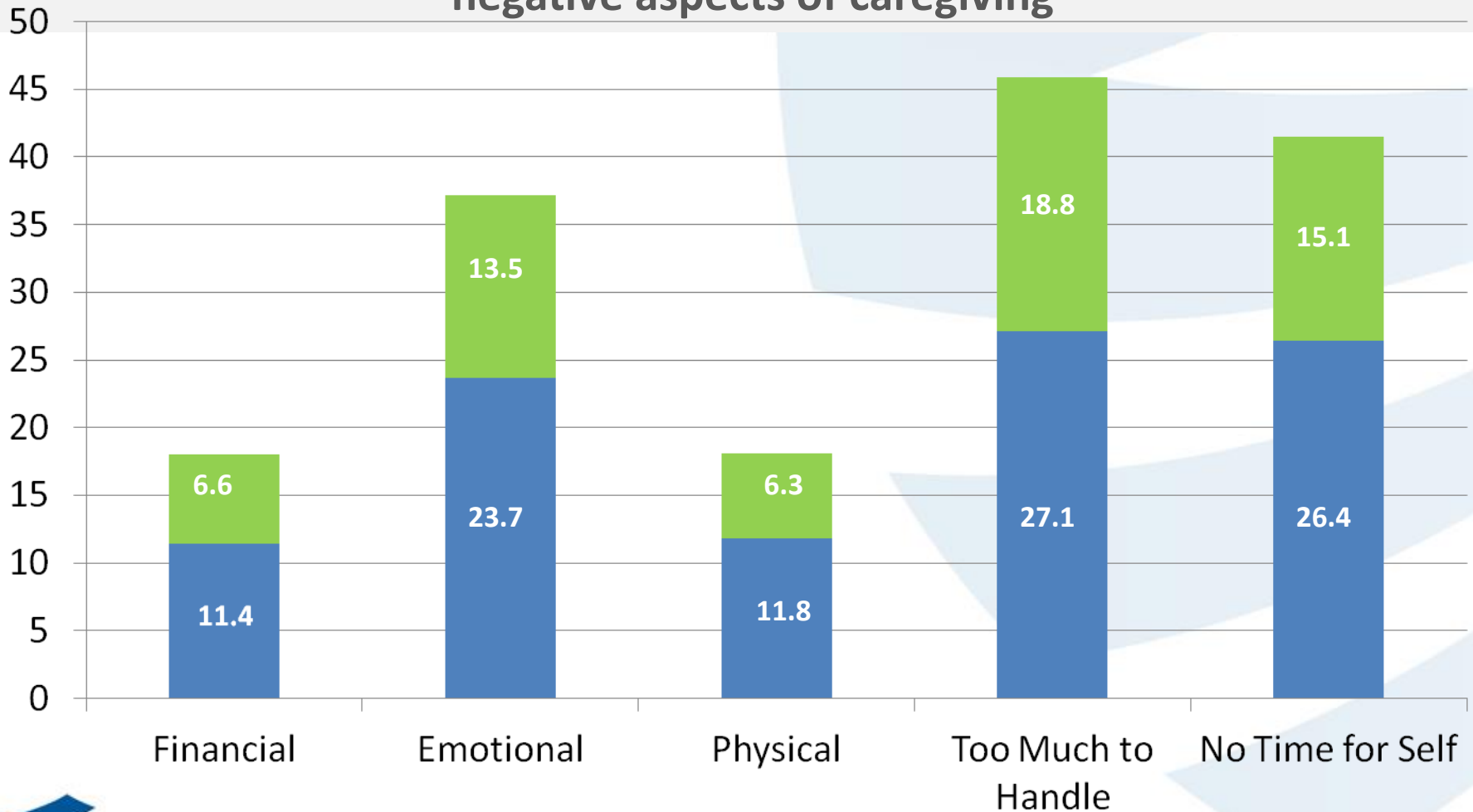


**Traditionalists
over 85 in the US**

- 10 million in 2030¹
- 80 and older will double between 2010 and 2050¹
- 38% of people 85 and older have Alzheimer's²

Informal Caregivers

Percentage of informal caregivers reporting negative aspects of caregiving

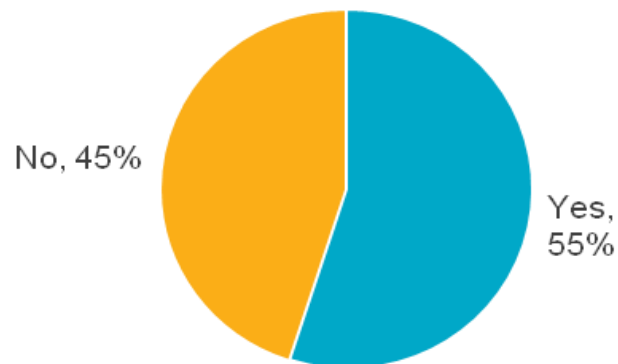


Some Impact

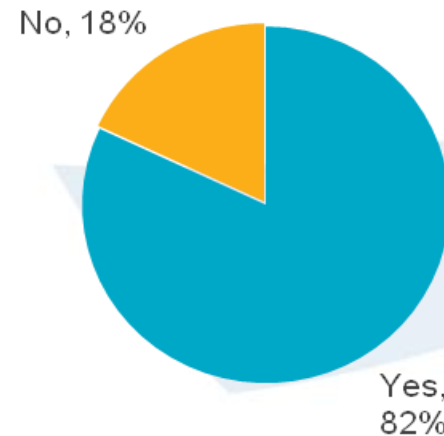
Substantial Impact

Assessing employee attitudes

Have you been asked to provide long-term care services for a friend or family member at any point during your career?



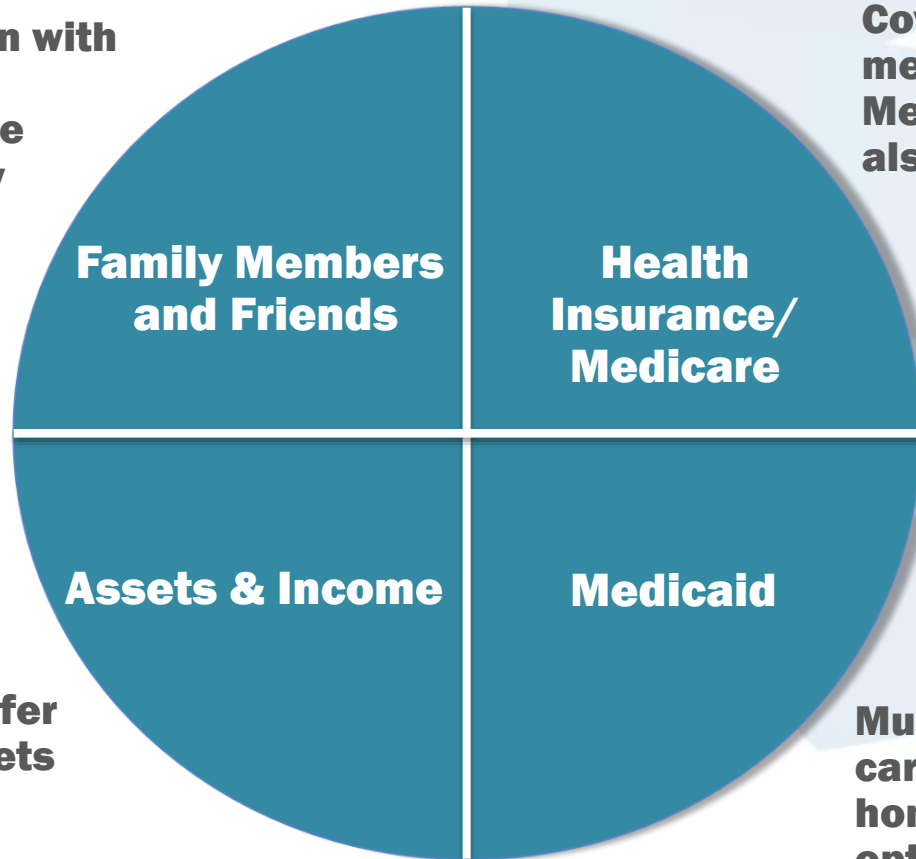
Do you feel that providing long-term care services to friends or family members could impact your responsibilities at work?



THE RESPONSES INDICATE HOW EMPLOYEES ARE IMPACTED AS INFORMAL CAREGIVERS.

Limited Solutions

A short-term solution with potential adverse consequences on the caregiver and family



Cover only short-term, medically necessary care. Medicare supplement plans also do not provide coverage

Employees would prefer not to use 401(k) assets to pay for care

Must deplete assets and care is primarily nursing home based with limited options

Long Term Care Voluntary Program

Long Term Care Insurance

- **Individual plans**
- **Simplified underwriting**
- **Comprehensive coverage**
- **Tax-free benefits**
- **Competitive rates**
- **Extended family eligibility**



www.CareSupportNetwork.com

- **Free access to planning resources**
- **Wellness benefits**
- **Cost of care calculators**
- **Military resources**
- **Health assessments**

Care Advocacy

- Half hour general needs assessment by a care specialist
- Interactive assessments including home safety, cognitive, functional, depression, anxiety and more
- If requested, home visit by an RN

Voluntary Long Term Care Insurance

Advantages of purchasing long term care insurance as an employer voluntary benefit:

- Education and enrollment assistance
- Simplified underwriting
- Pre-tax eligibility from an HSA account
- Qualification under state partnership plans
- Multi-life rates
- Gender-neutral pricing

Voluntary Long Term Care Insurance

Eligibility

Simplified underwriting

- IEBP eligible employees, actively-at-work for at least 20 hours per week
- Spouses/domestic partners working for *any employer* at least 20 hours per week with ability to verify income
- Simplified underwriting applicants must be between 18 and 65 years of age

Full Underwriting

- Employees and spouses between the ages of 66 and 79
- Siblings, parents, grandparents, parents-in-law and grandparents-in-law from ages 18-79
- Any employee/spouse for benefits above simplified limits

Voluntary Long Term Care Insurance

Underwriting

Simplified

- ✓ Insurability profile
- ✓ Height/weight
- ✓ Pharmacy screen
- ✓ MIB

Full

- ✓ Complete application
- ✓ Height/weight
- ✓ Pharmacy screen
- ✓ MIB
- ✓ Medical record review
- ✓ Telephone interview
- ✓ Possible face-to-face interview

Voluntary Long Term Care Insurance

Communications

- Launch Letter sent to employee homes announcing the new voluntary benefit
 - Co-branded with ACSIA
 - Introduces ACSIA and insurance carrier
 - Explains the benefit of the program
 - Provides next steps in the educational process
- Co-branded website with general information about long term care as well as specific information on this offering
- Campaign of 3 email blasts:
 - 1st email is the launch email with live links to register for the educational webinar
 - 2nd email is a reminder that simplified underwriting is still available and there is still time to attend a webinar
 - 3rd email is a last chance to learn about this program before the simplified underwriting deadline ends



Voluntary Long Term Care Insurance

Communications

- Educational Webinars
 - Hosted by ACSIA Partners
 - No obligation, 30 minute presentation
 - Education-based, not product focused
 - Access to free planning resources for employees and their extended family, not connected with any purchase
 - Survey following the webinar offering an individual consultation with an LTC specialist for those interested



Individual Consultations

- Appointments are in-person or via screen sharing
 - Requested by employee or family member
- Agent conducts fact finder and needs analysis
- Suitability qualifications
 - Health
 - Financial
- Explain how coverage works
 - Plan design based on individual needs and budget
- Review timeline of approval process
- Submit all forms to carrier
- Monitor approval process
 - Communicate with employee or family members

Voluntary Long Term Care Insurance

Timeline

- 12/15/16 - Signed letter of intent to commit to one of the two 90 day enrollments:
- 10 days prior to the start of the enrollment – Launch letter mailing drops
- On the first day of the enrollment – Email blast is sent to all employees by IEBP
- 5 days after enrollment begins – Educational webinars hosted by ACSIA Partners begin

Group Discussion/Questions

