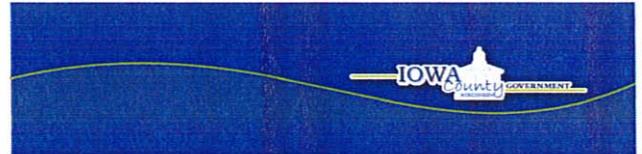


PERSONNEL DEPARTMENT

The Courthouse
222 North Iowa Street
Dodgeville, WI 53533-1564

Phone: (608) 935-0302
Fax: (608) 935-0325
bud.trader@iowacounty.org



www.iowacounty.org

Long – Term Care Insurance

Since 1995 the State of Wisconsin Department of Employee Trust funds has offered an optional long-term care benefit to State and University employees and annuitants. This optional long term care benefit is now being made available to all Iowa County employees, retirees and their eligible family members.

Each year, too many Americans lose significant assets because of long-term health care expenses like home health care and nursing home care. Much of this problem is caused by misconceptions that private health insurance, Medicare, Medicare Advantage, Medicaid or HMOs pay for long-term care.

Did you know that 42% of Americans receiving long-term care are under 65 years old? And if you are concerned about caring for parents or other family members in the future, this important message is especially for you. These voluntary purchase long-term care insurance policies are offered at a group-discounted premium. *HealthChoice* also provides **CareOptions®** services to all Iowa County Employees, Annuitants and their family members at no charge and no insurance purchase required. To use this service, or learn more about Long-term Care simply **contact HealthChoice by email at info@healthchoice.com or call 800-833-5823** and let them know you would like an information packet for the Iowa County plan - they will mail you the packet and it will contain the CareOptions access information.

UNITED OF OMAHA LIFE INSURANCE COMPANY

A MUTUAL of OMAHA COMPANY

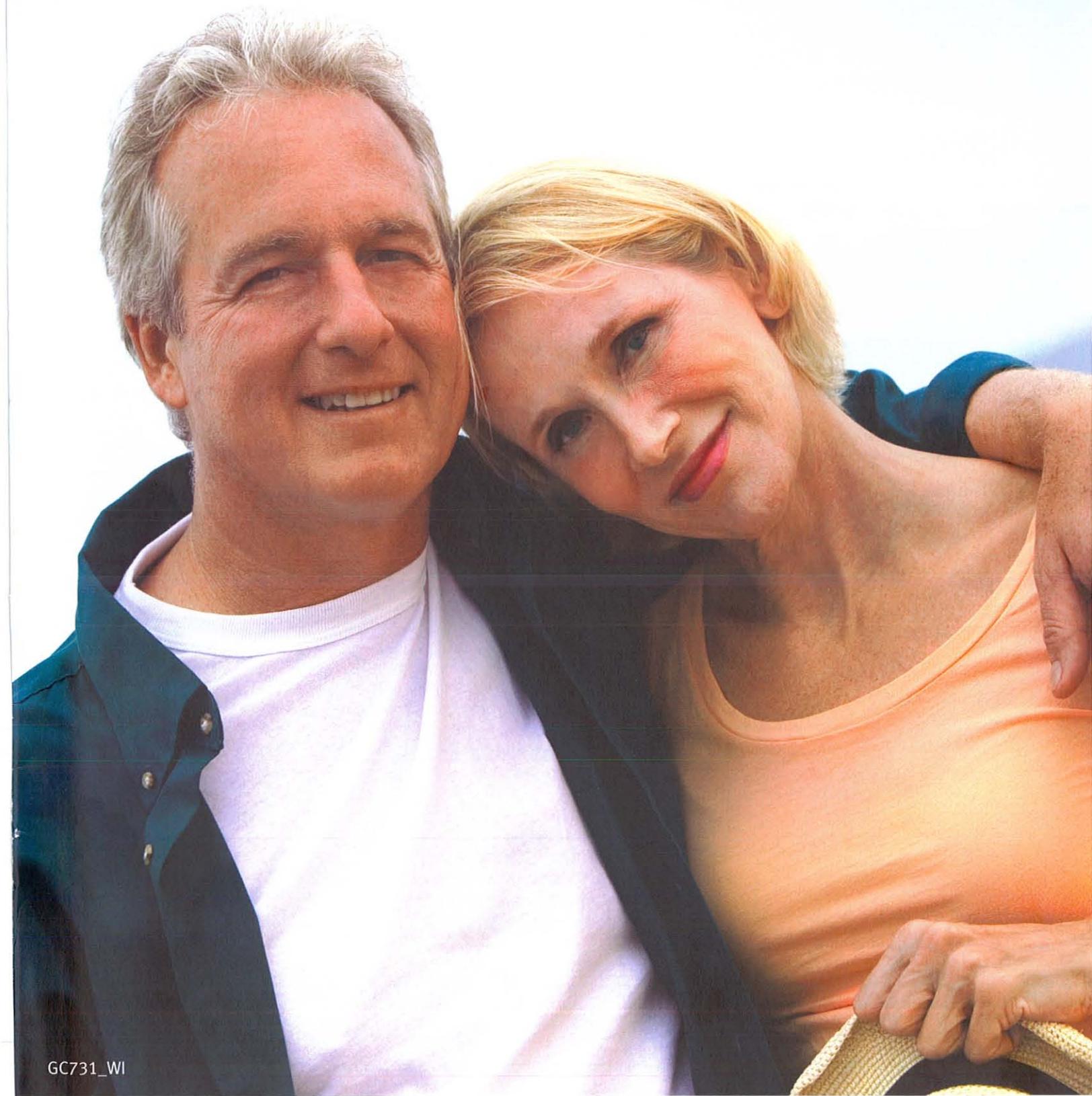
UNITED LTCi SOLUTIONS

CASH-FIRSTSM

Long-Term Care Insurance for Wisconsin State Employees



Mutual of Omaha



CASH-FirstSM for Today and Tomorrow

When families gather to make tough decisions about the long-term care needs of a loved one, they're not thinking about how to get that person into a nursing home. Instead, they want to make sure their loved one is cared for in the comfort of his or her own home. But that care costs money. When the time comes, will your family have the financial ability to consider all the options and decide what's best for you?

The CASH-First Advantage

The advantage of a CASH-First long-term care insurance policy is that it provides you with the option of cash today – based on the first day of qualified need – with no elimination period to satisfy. CASH-First benefits can be used any way you choose. There's no need to collect and mail bills for reimbursement. No need to worry whether expenses will qualify for coverage. You simply receive the full monthly cash benefit you select to help pay for anything at all...family travel expenses, lost income when your caregiver misses work, housekeeping services or other out-of-pocket costs.

A CASH-First policy also includes the flexibility to receive traditional long-term care reimbursement benefits tomorrow, as your need for care increases. This allows you to be reimbursed for actual long-term care expenses you incur for basic or professional home care services, assisted living facility care or nursing home care.

You also have the flexibility to select a CASH-First benefit one month and reimbursement benefits the next.

The Progression of Care and Cost

Throughout the typical progression of care, the need for long-term care services may increase. And that can mean increased costs. A CASH-First long-term care insurance policy gives you flexibility to control how you spend your policy benefits. Whether you choose to use the cash benefit throughout your claim or use it early on and then switch to the reimbursement benefit, a CASH-First long-term care insurance policy can be there to help.

CASH-First Benefits Pays cash you can use any way you want	
<p>1. Assistance of family and friends When the need for long-term care services first arises, you may choose to rely exclusively on the assistance of family members and friends.</p> <p>You can continue using cash or utilize the reimbursement benefits below.</p>	<ul style="list-style-type: none"> Provides cash beginning with the first day of qualified need (no elimination period to satisfy) Select a monthly cash benefit of \$800 to \$3,600 per month
Reimbursement Benefits Pays for actual long-term care expenses you incur (based on the maximum monthly benefit of the policy)	
<p>2. Basic home care services As your need for assistance increases, you may hire homemaker services or a home health aide to help with things like cooking, cleaning, bathing and dressing.</p>	<ul style="list-style-type: none"> Pays up to 100 percent of the maximum monthly benefit [(250 percent of the CASH-First benefit)]
<p>3. Professional home care services At some point, you may need professional help only a nurse, licensed specialist or therapist can provide. This can be the most expensive type of care, particularly if you need 24-hour care in your home.</p>	<ul style="list-style-type: none"> Pays up to 200 percent of the policy's maximum monthly benefit [(500 percent of the CASH-First benefit)]
<p>4. Assisted living facility care If you no longer can remain comfortably or safely in your home, you may consider an assisted living facility – a home-like setting that offers safety, security and services like meals and housekeeping.</p>	<ul style="list-style-type: none"> Pays up to 100 percent of the policy's maximum monthly benefit [(250 percent of the CASH-First benefit)]
<p>5. Nursing home care If you eventually need round-the-clock skilled care, a nursing home may be the best option.</p>	<ul style="list-style-type: none"> Pays up to 100 percent of the policy's maximum monthly benefit [(250 percent of the CASH-First benefit)]

Design Your Policy

STEP 1: Select Your Monthly CASH-First Benefit

This is the total amount of cash you will have available each month you elect to receive *CASH-First* benefits.

Choose:

\$800 to \$3,600 (in increments of \$200)

Your Monthly CASH-First Benefit \$ _____
--

Note: The monthly *CASH-First* benefit is equal to 40 percent of the basic home health care maximum monthly benefit of the policy. To calculate the maximum monthly benefit (the maximum amount available each month you elect to receive reimbursement benefits), multiply the *CASH-First* benefit times 2.5. For example, a monthly *CASH-First* benefit of \$2,000 equals a maximum monthly benefit of \$5,000.

STEP 2: Select Your Maximum Lifetime Benefit

This is the maximum amount you have available to pay for long-term care services (*CASH-First* benefits and reimbursement benefits combined). It also will help establish how long your *CASH-First* policy may pay benefits.

Choose:

\$50,000 to \$500,000 (in increments of \$25,000)

or **Lifetime**

Your Maximum Lifetime Benefit \$ _____
--

Note: Based on the monthly *CASH-First* benefit selected, your choice of maximum lifetime benefit may be limited. See the reference grid in the application.

When Will Your Benefits Begin?

CASH-First Benefits – Begin with the first day of qualified need. There’s no elimination period to satisfy.

Reimbursement Benefits – Begin after the elimination period is satisfied. For example, if you select the usual 90-day* elimination period, this means **90 calendar days**, beginning with your first day of qualified care, before your benefits begin.

*Other elimination period options are available.

Note: Days in which *CASH-First* benefits are utilized do not count toward the elimination period for reimbursement benefits.

How Long Will Your Benefits Last?

CASH-First Benefit Example		Reimbursement Benefit Example
$\frac{\$ 250,000}{\text{Maximum Lifetime Benefit}}$	X 2.5 =	$\frac{\$ 250,000}{\text{Maximum Lifetime Benefit}}$
$\frac{\$ 2,000}{\text{Monthly Cash Benefit}}$		$\frac{\$ 5,000}{\text{Maximum Monthly Benefit}}$
\div		\div
12 Months		12 Months
$=$		$=$
$\underline{10.42} \text{ Years}$		$\underline{4.17} \text{ Years}$

Note: The use of a combination of *CASH-First* benefits and reimbursement benefits affects the amount of time your benefits will last. If lifetime benefits are selected, there is no limitation on the amount of the maximum lifetime benefit of the policy.

STEP 3: Select Your Inflation Protection Option

The cost of long-term care services may continue to increase over time. Adding an inflation protection option *guarantees* your policy's maximum monthly benefit and maximum lifetime benefit amounts will increase to help ensure your coverage is adequate in the years to come, when you are most likely to need care.

Inflation Protection

The cost of long-term care is expensive today and will continue to increase in the future. It is important to have inflation protection to help keep pace with the rising costs. These increases in benefits will not be determined by the actual amount of future inflation. The actual increases in benefits under your policy may be greater or less than the amount of inflation.

Guaranteed Purchase Option

A built in feature in your plan allows you the option to increase your original maximum monthly benefit amount by 10 percent every two years. Your Maximum Lifetime Benefit will also increase by 10 percent of its original value or 10 percent of its current value, whichever amount is less. Each time you exercise the Guaranteed Purchase Option, additional premium for the increased amounts will be based on your age at the time. This option will remain in effect until the 20th Policy Anniversary Date or the Policy Anniversary Date coinciding with or next following your 80th birthday.

Select One of the Following Inflation Protection Options:

- **5% Compound–Lifetime With Guaranteed Purchase Option**

Your current maximum monthly benefit and maximum lifetime benefit amounts will increase by five percent on each policy anniversary date for the remainder of your lifetime.

- **5% Compound–20 Years With Guaranteed Purchase Option**

Your current maximum monthly benefit and maximum lifetime benefit amounts will increase by five percent on each policy anniversary date for 20 years.*

*Available at age 65+



Built-in Policy Benefits

Care Coordinator Services

Your policy offers the services of a care coordinator – a licensed health care professional who can assess your needs, develop an individualized plan of care and help you arrange for long-term care services. There's no elimination period, which means you have immediate access to a care coordinator. The use of a care coordinator is optional.

Stay-at-Home Benefits

Your policy will pay benefits for the following stay-at-home services:

- Caregiver training
- Durable medical equipment
- Home modifications
- Medical alert system

The maximum amount allowed for stay-at-home benefits is two times your monthly benefit for home health care.

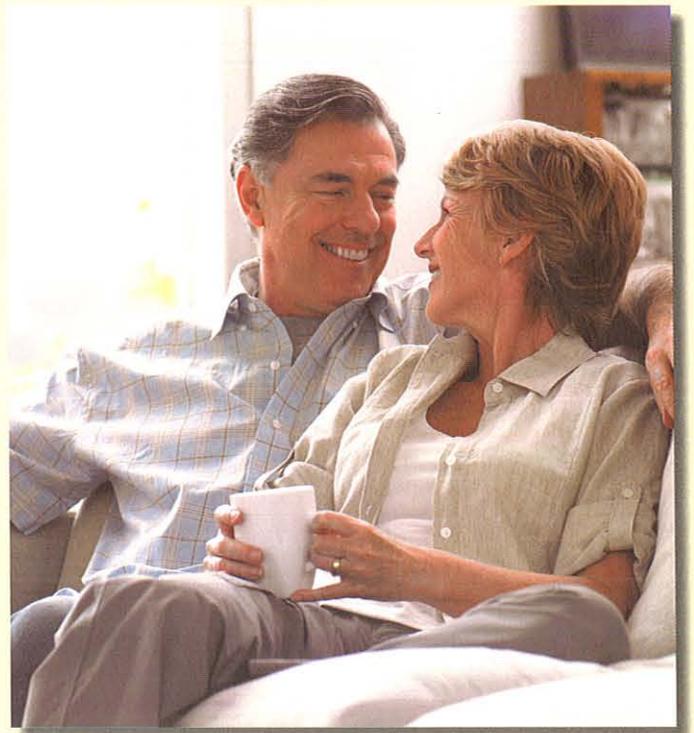
Alternate Care

Standards for care may change in the years to come just as they have in the past. To help keep your policy up to date, this feature allows for the payment of benefits for alternate services or treatments not specifically listed in the policy, as long as they are mutually agreed upon by you, your physician and the insurance company. The alternate care benefit combined with the *CASH-First* benefit provides flexibility to help ensure your policy will stay current with new forms of care and treatment.

Home Care, Assisted Living Facility and Nursing Home Benefits

If you choose to receive reimbursement benefits based on incurred expenses, your policy will pay:

- Up to 100 percent of the maximum monthly benefit for basic home health care, assisted living facility and nursing home care



Additional Benefit for Professional Home Health Care

If you choose to receive reimbursement benefits based on incurred expenses for care provided in your home, your policy will pay:

- Up to 100 percent of the maximum monthly benefit for basic or professional home health care
- AND up to an additional 100 percent of the maximum monthly benefit for professional home health care services (i.e., services of a registered nurse, licensed specialist or therapist)

Adult Day Care

Your home care benefits also are available to pay for care received in an adult day care center.

Additional Benefits for Injury

If, prior to age 65, you sustain an injury requiring home health care, assisted living facility or nursing home care, your policy will pay up to two times the maximum monthly benefit.

Respite Care

Your policy will pay up to the respite care maximum monthly benefit amount each calendar year for the temporary services of another person or facility to provide care for you. No elimination period is required.

(Built-in Policy Benefits Continued)

Hospice Care

Your nursing home benefits also can be used to cover the expenses incurred for hospice care in any setting when you are not expected to live beyond six months. No elimination period is required.

Bed Reservation

Your policy will pay up to one month per year to reserve a bed for you in your nursing home or assisted living facility while you are temporarily away.

Facility Assessment

Your policy will pay the charges incurred to perform an annual assessment of the quality of care provided for you in a nursing home or assisted living facility.

International Travel

Full benefits are provided for care received in the United States, Canada or the United Kingdom. Elsewhere, your policy pays up to the maximum monthly benefit, regardless of the amount of actual charges incurred, for one full year.

Waiver of Premium

No premiums are due while you are receiving *CASH-First* benefits or reimbursement benefits for home health care, assisted living or nursing home care.

Tax-Qualified Coverage

Your long-term care insurance policy is intended to be tax-qualified and the benefits you receive tax-free.

Optional Policy Benefits

CASH-First Benefit Increase

This allows you to increase your monthly *CASH-First* benefit (currently 40 percent of your selected basic home health care maximum monthly benefit) to:

- 50%

Waiver of Elimination Period for Home Care

The elimination period you select will be waived for home care and adult day care, which means benefits will begin with your first day of services. At that point, your elimination period for nursing home and assisted living will begin to be satisfied on a calendar-day basis.

This means days you receive home care as well as days you do not receive home care both count toward satisfying the elimination period.

Restoration of Benefits

If you no longer need long-term care services for 180 consecutive days, all benefit amounts paid will be restored to the maximum lifetime benefit of your policy.

Spouse Shared Care Benefit

If you have exhausted your maximum lifetime benefit but still need care, you can access benefits under your spouse's policy provided you leave at least one year of benefits for your spouse. If either spouse dies while both identical policies are in force, the surviving spouse receives the deceased spouse's remaining maximum lifetime benefit amount without having to pay the deceased spouse's premium. There is no effect on the surviving spouses premium.

Spouse Survivorship Benefit

If one spouse dies after both policies have been in force for 10 years, no further premium will be due. The surviving spouse's policy will be fully paid up.

Spouse Waiver of Premium

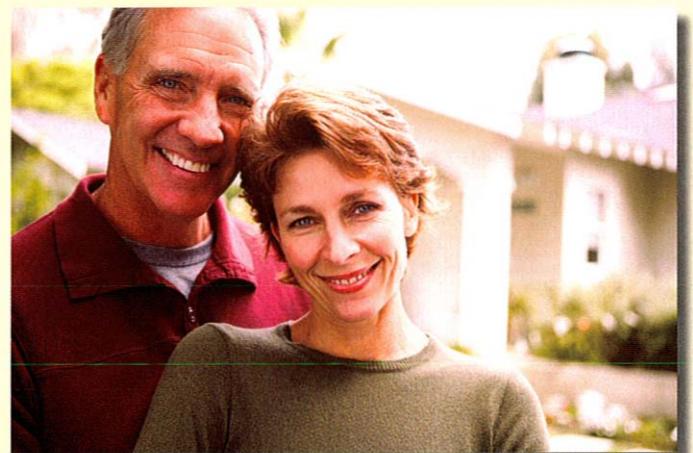
While either you or your spouse receive benefits under your policy, the premiums on both policies will be waived.

Spouse Security Benefit

To provide extra security and income for your uninsured spouse while you receive long-term care services, your policy will pay an additional 60 percent of the reimbursement benefit you receive each month. This money can be used as needed and will not reduce your maximum lifetime benefit.

Non-Forfeiture Shortened Benefit Period

Your coverage will continue on a reduced basis in the event you stop paying premiums.



Save on Your Premium

United of Omaha offers a variety of premium allowances to help you save money. You may qualify for one or more of the following:

- **Spouse/Partner** – 35 percent savings if you and your spouse or domestic partner both purchase long-term care insurance policies from United of Omaha
- **Married** – 15 percent savings if you are married, but your spouse or domestic partner does not purchase a long-term care insurance policy
- **Two-Person Household** – 10 percent savings if both you and another adult living in your household (not your spouse or domestic partner) purchase long-term care insurance policies from United of Omaha
- **Preferred** – 15 percent savings for being in good health
- **Association Group** – 5 percent savings if you're a member of a qualifying association group
- **Medicare Supplement** – 5 percent savings if you own a Medicare supplement insurance policy from Mutual of Omaha Insurance Company or an affiliate company

Eligibility to Receive Benefits

You are eligible to receive benefits when a licensed health care practitioner certifies:

- You are chronically ill, which means you need hands-on or stand-by assistance to perform at least two of the six activities of daily living: bathing, eating, dressing, toileting, continence and transferring
- OR you need continuous supervision due to a severe cognitive impairment

AND you are expected to need care for at least 90 days.

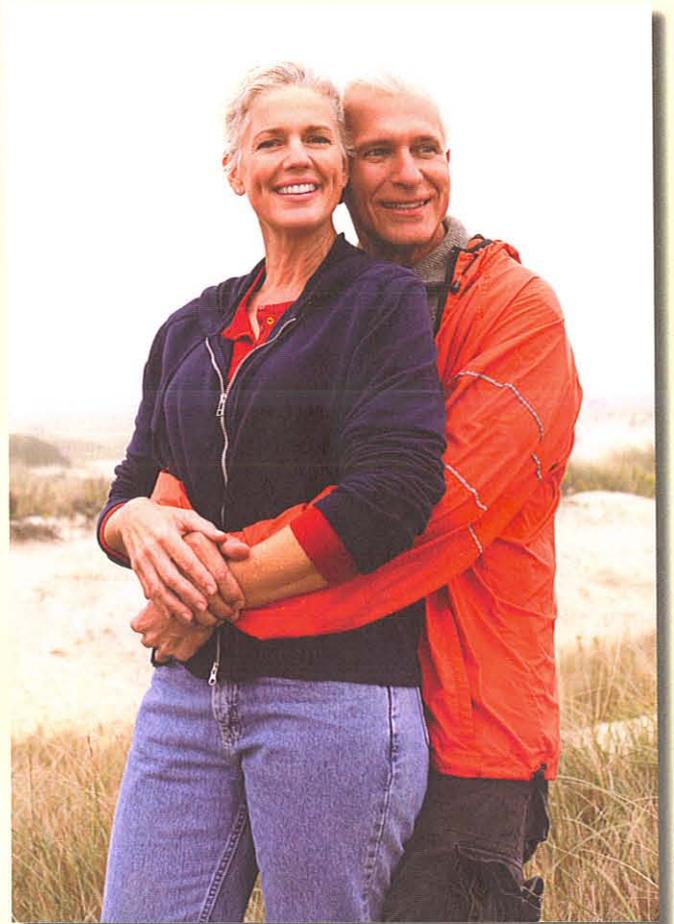
*Excluding Single Premium

Please Read Your Policy Carefully

This is a brief description of some of the facts about a long-term care insurance policy. A Shopper's Guide to Long-Term Care Insurance and outline of coverage are provided to give you additional information. The policy and outline of coverage contain complete details of the benefits, exceptions and limitations of the policy and set forth in detail the rights and obligations of both you and United of Omaha Life Insurance Company.

You Have 30 Days to Examine Your Policy

We give you 30 days from the time you receive your policy to look it over carefully. If you decide it's not for you, you can return it to us for a full refund of any premium you paid.



There When You Need Us...

United of Omaha Life Insurance Company, founded in 1926, is proud to be a Mutual of Omaha Insurance Company affiliate. Mutual of Omaha Insurance Company is one of the most recognized names in the insurance industry and has been serving policyholders for more than 100 years.

United of Omaha Company Ratings*	
A.M. Best Company, Inc. (for overall financial strength and ability to meet ongoing obligations to policyholders)	A+ (Superior) 2 nd highest out of 16 possible ratings
Moody's Investors Services (for current financial strength and ability to withstand financial stress in the future)	Aa3 (Excellent) 4 th highest out of 21 possible ratings
Standard & Poor's (for financial strength to meet obligations to policyholders)	AA- (Very Strong) 4 th highest out of 21 possible ratings

*As of 4/09



UNITED LTCi SOLUTIONS: CA\$H- FIRST Long-Term Care Insurance for Wisconsin State Employees-
GC731_WI

Frequently Asked Questions- FAQ's

Q: Why is there an asterisk at the end of the sentence underneath *"Select One of the Following Inflation Protection Options: 5% Compound- 20 Years With Guaranteed Purchase Option?"*

A: The asterisk should be placed after the phrase *"5% Compound- 20 Years With Guaranteed Purchase Option"* and not at the end of the description sentence. The asterisk here is to note that this option is only available to those age 65 and older.

Q: Are there benefits and premium allowances available for Domestic Partnerships?

A: Yes. Under the section titled *"Save on Your Premium"* the bullet highlighted as **Married** means **Married**, as well as Domestic Partnership.

Q: What qualifications must be met to qualify for *"Domestic Partnership"* benefits?

A: Domestic Partnership is met by meeting the following criteria:

- Both people are legally competent and at least 18 years of age
- Neither are married to or in a domestic partnership with another person
- They are not related by blood in any way that prohibit marriage under Wisconsin's laws
- They agree to be responsible for each other's basic living expenses
- They share a common residence. Sharing a common residence is considered even if any of the following conditions apply:
 - Only one partner has legal ownership of the residence
 - One or both partners have additional residences not shared with the other partner
 - One partner leaves the common residence with the intent to return

Q: What are the details of the Guaranteed Purchase Option?

A: Under this benefit you will periodically be offered the option to increase each maximum monthly benefit and the Maximum Lifetime Benefit. An offer will be made beginning on the second anniversary of the original policy effective date, or until the first policy anniversary date coinciding with or next following your 80th birthday, whichever occurs first, as long as your coverage remains in force, you have not refused three consecutive offers and you are not receiving benefits under the policy. If the 2nd anniversary of the original policy effective date coincides with or follows your 80th birthday, you will receive only one offer to increase your maximum monthly benefits. Each offer to increase your maximum monthly benefit will be by a dollar amount equal to each original maximum monthly benefit multiplied by 10%. Each offer accepted will also increase your maximum lifetime benefit by a dollar amount equal to the policy's original maximum lifetime benefit multiplied by 10%.

*Please see Outline of Coverage for specific details for policy GC731_WI

Long-term Care Insurance Program For State of Wisconsin Employees and Annuitants

How much will my premium cost?

Everyone's situation is different; contact your HealthChoice Representative for a personal rate quotation on a United of Omaha Assured Solution Gold Cash First Long-term Insurance Plan*.

What are my premium payment options?

You can pay your United of Omaha Assured Solutions Gold Cash First premium monthly, quarterly, semi-annually, or annually. The Department of Employee Trust Funds also provides an additional payment option for state annuitants. Those who are insured under the State Group Life Insurance Program and are age 66 or older have the option to convert the paid-up value of their insurance for payment of long-term care insurance premiums.

Additionally, Wisconsin Retirement System (WRS) retired public safety officers may elect to have health and long-term care insurance premiums deducted from their monthly WRS annuity payments and remitted directly to the annuitant's insurance provider. Eligible annuitants may qualify for an income tax exclusion under the federal pension Protection Act of 2006.

At what age can I apply for a United of Omaha Assured Solution Gold Cash First?

This long-term care insurance plan is available to people age 18 through 79 years old. The plan is Guaranteed Renewable for life, which means once you apply and are approved, you are guaranteed coverage, regardless of your age or claim status*.

Is my family eligible for this benefit, too?

Yes, your spouse, parents and in-laws are eligible to apply for this benefit, even if you elect not to participate. If other family members apply, they will be billed directly for the premium.

Will my benefit increase to cover inflation?

Yes, your benefit will increase at a rate of 5%, compounded annually, without additional cost to you for this benefit increase. If you choose, you are eligible for an additional purchase option. Please see the United of Omaha Assured Solutions Gold Cash First Outline of Coverage* for details or contact your HealthChoice Representative.

Are long-term care insurance premiums tax deductible?

State of Wisconsin Income Tax Deduction for the Purchase of Long-term Care Insurance

Beginning in the January 1998 taxable year, you can subtract the amount paid for long-term care insurance from your Wisconsin income tax. This subtraction applies to both policies designated for federal income tax purposes as tax-qualified and policies that are non tax-qualified. The instruction booklet you receive with your Wisconsin income tax forms includes information on the subtraction for long-term care insurance. Please contact your tax advisor to discuss your unique situation.

Federally Tax-Qualified Long-term Care Insurance Policies

Congress passed a law in 1996 called the Health Insurance Portability and Accountability Act (HIPAA). HIPAA allows for certain federal income tax advantages for long term care insurance policies that are designated as "tax-qualified" or "Qualified." If you have a tax-qualified policy you may be able to deduct part or all of the premium you pay for the policy. Please contact your tax advisor to discuss your unique situation.

*Please see United of Omaha Assured Solutions Gold Cash First Outline of Coverage Policy form LTC09U-AG-WISE

Long-term Care Insurance Program For State of Wisconsin Employees and Annuitants

Can you show an example of the premium rate and associated benefits I could receive with a United of Omaha Assured Solutions Gold - Cash First?

Please note: this is an example only. Please contact a HealthChoice representative at 800.833.5823 or e-mail info@healthchoice.com for rates and terms to fit your needs and age.

Sample Rates for Single People	
Age	Annual Premium
40	\$1386.62
45	\$1517.75
50	\$1696.53
55	\$1833.91
60	\$1998.82
65	\$2398.85
66+	Contact your HealthChoice Rep*

Rates are based on age at issue, and so **the sooner you apply, the lower your premium will be** for the life of the plan.

Sample Rates for Married People	
Age	Annual Premium
40	\$901.30
45	\$986.53
50	\$1102.75
55	\$1192.04
60	\$1299.24
65	\$1559.25
66+	Contact your HealthChoice Rep*

Rates are based on age at issue, and so **the sooner you apply, the lower your premium will be** for the life of the plan.

Based on this example, here are the benefits a person would receive:

- \$1,200 per month cash benefit
- \$3,000 per month benefit for facility care
- \$6,000 per month benefit for professional home health care
- 90 day waiting period with a \$100,000 starting pool of money

What is the CareOptionsOnLine™ service?

CareOptionsOnLine, COOL, is the first and only online care planning tool that takes the stress out of stressful health care and care giving situations.

When you meet with your HealthChoice representative, he or she will show you how to access *COOL.net* and teach you how to put *COOL* resources to work for you.

With *COOL* you can research care issues, analyze present and future cost of long or short-term care, or even create a living will.

It's educational — it's efficient — it's unlike anything out there: It's COOL!

Whom do I contact for more information?

HealthChoice
583 D'Onofrio Drive 101
Madison, WI 53719
800.833.5823
info@healthchoice.com

*Please see United of Omaha Assured Solutions Gold Cash First Outline of Coverage Policy form LTC09U-AG-WISE.

Facts & Information To Help You Make The Right Decision

QUESTIONS AND ANSWERS ABOUT LONG-TERM CARE

Q I'M REALLY HEALTHY RIGHT NOW...
WHY WOULD I NEED LONG-TERM CARE INSURANCE?

A Although healthy people don't like to think about getting older, developing a disability, becoming less independent, or needing help with personal care, the fact is a person can need long-term care services at any age.

- Forty (40%) percent of people currently receiving long-term care are adults 18 to 64.¹
- Seventy (70%) of adults who live beyond age 65 will need some type of long-term care services, and the likelihood of needing care increases with age.¹

You may be in good health today...but if your health changes, even as early as tomorrow, you may not be able to get insurance at any price. And then you could be faced with paying all the bills yourself.

Q AM I TOO YOUNG TO BE THINKING
ABOUT LONG-TERM CARE?

A The need for long-term care can come at any age, no matter what a person's health status. Many people who truly intend to purchase long-term care insurance put it off from year to year. They procrastinate...thinking they can wait until they're a little bit older before deciding to buy. But waiting might be costly!

For starters, like most insurance - premiums are based on how old you are when you apply. The older you are when you sign your application - the higher your premiums will always be.

Also, the information you provide on your application is based on your past history up to the time you apply for coverage. Should your health change...or should you suffer an accident... you could become uninsurable.

Q RIGHT NOW, I DON'T WANT TO THINK ABOUT FACILITY CARE.
IS THERE A WAY I CAN STAY HOME AND COLLECT BENEFITS -
EVEN IF MY SPOUSE, FRIENDS OR FAMILY TAKE CARE OF ME?

A Many people who need long-term care develop the need for care gradually. At first, they may only need care a few times a week, one or two times a day, for example, to help with bathing and dressing.

- Today, there are policies on the market that pay Monthly Cash Benefits when home care is provided by spouse, friends or family.
- Payments begin on the very first day you're eligible for benefits. There are no bills to submit - no paperwork - no strings attached. The money can be used as you see fit.

Q I ALREADY HAVE HEALTH INSURANCE ...
DO I REALLY NEED LONG-TERM CARE INSURANCE TOO?

A There's a big difference between health insurance and long-term care insurance! Health insurance (including Medicare) generally pays the cost of treating illness or injuries, including doctor visits, hospitalization, and lab tests.

Long-term care insurance, on the other hand, is designed to cover ongoing care and services required by those who are unable to care for themselves. Long-term care may be needed because of physical limitations or cognitive difficulties.

Q WHAT ARE THE MAIN ADVANTAGES
OF HAVING LONG-TERM CARE INSURANCE?

A A key advantage is freedom to choose where you want to receive care. As mentioned earlier, many people prefer to be cared for in the comfort of their own home. For optimum protection, look for a policy that pays cash benefits when home care is provided by spouse, friends or family and traditional reimbursement benefits when care is provided by licensed home health personnel or in a facility.

Q JUST HOW EXPENSIVE IS LONG-TERM CARE?
I WANT TO BE SURE MY RETIREMENT IS SECURE.

A Long-term care services can be very expensive and costs vary widely based on where you live.¹ As a national average, the daily rate for a private room in a nursing home is \$209 or \$76,285 per year. The monthly rate for a one-bedroom assisted living facility unit is \$3,008 or \$36,096 per year.

As for home care, the hourly rate for a home health aide is \$29 and the hourly rate for homemaker services is \$18. Because professional home care services costs much more, many policies offer higher benefits to cover the services of a registered nurse, physical therapist, etc.

If you want to help protect your income and assets, long-term care insurance should be an essential part of your retirement plan. The cost of long-term care services can be staggering and could pose a threat to your financial independence during your retirement years.

Q WHAT KIND OF RISK WOULD I BE TAKING
WITHOUT LONG TERM-CARE INSURANCE?

A Many people who begin paying for nursing home care find that their savings are not enough to cover lengthy confinements. The failure to prepare for the cost of a nursing facility stay or other long-term care is often the reason for the loss of financial security among retirees.

Long-term care insurance can help you protect your nest egg - and help ensure your financial security.

Q WOULDNT MEDICARE PAY FOR MY LONG-TERM CARE NEEDS?

A Many people believe they can rely on Medicare to pay for any long-term care services they will need. The fact is:

- Medicare does not pay for what comprises the majority of long-term care services - non-skilled assistance with Activities of Daily Living.
- Medicare does not pay anything for care in an Assisted Living Facility.
- Medicare only pays for long-term care if you require skilled services or recuperative care for a short period of time.
- In reality, Medicare coverage is limited to skilled nursing care for a maximum of 100 days.

Q WHAT ARE THE ODDS OF IT HAPPENING TO ME?

A According to a study done by The National Academy of Elder Law Attorneys, your risk of needing long-term care assistance is 1 out of 2 (50%).

The study compared the risk of needing long-term care with the risk of other financially devastating risks, such as a major auto accident, or a fire in a person's home.

According to that study, the odds are:

- Automobile accident 1 out of 240 [0.4%]
- Fire damaging your home 1 out of 1,200 [0.08%]
- Needing long term care assistance 1 out of 2 [50%]

Given the one out of two odds of needing long-term care, many people find the risk worth insuring against. Don't let long-term care insurance be the missing link in your financial plan.

Q CAN I FIT THE COST OF LONG-TERM CARE INSURANCE INTO MY BUDGET?

A It's always easier to budget a set monthly amount than be hit with large and often unexpected expenses. In fact, your GOLDENCARE USA Agent can show you how you can get full coverage at a reduced premium!

You can choose to pay only 70%, 80% or 90% of your initial premium until you reach age 65. Premiums then become level until Age 85 when the policy is considered fully paid-up.

If you didn't have health insurance and incurred large medical bills, you would have to reach deep into your pockets - maybe tap your savings - to pay the bills. The same holds true for long-term care.

If something happened to you and you needed to be cared for over a long period of time, your retirement savings, perhaps the money you hoped to leave your children, might need to be used to pay the bills.

Q WHAT IS A LONG-TERM CARE PARTNERSHIP PLAN AND HOW CAN IT HELP ME KEEP MY ASSETS?

A Partnership plans work between state government and private insurance companies to help individuals plan for their long-term care needs. Consumers who purchase a qualified Long-Term Care Partnership Policy can have “dollar-for-dollar” asset protection by purchasing policies with coverage equal to their assets and can keep \$1 in assets for every \$1 the policy pays in long-term care benefits. No extra underwriting is required.

Q WHAT IS THE CLASS ACT AND WILL IT PROVIDE FOR ALL MY LONG-TERM CARE NEEDS?

A The Community Living Assistance and Supports Act (CLASS Act) is part of the Health Care Reform Bill. Regulations are still being written and should be finalized by October 2012. The CLASS Act:

- Provides limited benefits that may not be adequate to meet the high cost of extended care;
- Requires the participant to pay premiums for five years before being able to collect benefits; and
- Requires that the participant be actively employed both at enrollment and during at least part of the five-year vesting period.

Private long-term care insurance policies provide a broader range of benefits and options, and (unlike the CLASS Act) do not typically require that premiums be paid for a designated time period before benefit eligibility - and do not require the insured to be actively at work after enrollment.

Delaying the purchase of insurance until final details of the CLASS Act are determined may not be in the best interests of consumers. A person's health condition may change over the next several years making them ineligible for private insurance, and the older the applicant, the higher the premium.

Q IS IT WISE FOR ME TO SHOP AROUND BEFORE SELECTING AN INSURER?

A Purchasing long-term care insurance can be complicated. That's why your agent makes it a practice to look at the same things you'd want to know when choosing an insurance company. For example, is the insurer financially stable with a strong commitment to the long-term care market? Are their policies priced correctly? How about their contracts - are they easy to understand?

You can count on GOLDENCARE USA and your agent to research the growing number of insurers and the long-term care products they offer. This research saves you the time and hassle you'd have to endure if you shopped for long-term care insurance all by yourself.

Q HOW IMPORTANT ARE A COMPANY'S RATINGS, ESPECIALLY IN TODAY'S ECONOMIC ENVIRONMENT?

A Because ratings indicate a company's financial strength, it's wise to select a company that has the resources and the commitment to cover its obligations. It is suggested you check the ratings from A.M. Best Company, Standard & Poor's and Fitch.

1. *National Clearing House for Long-Term Care - U.S. Dept. of Health & Human Services 2008*

HEALTHCHOICE

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