



Dickinson College Group Long Term Care Insurance Program

March 19th – April 13th

Underwritten by

Genworth Life Insurance Company

Today's Topics

1 Why People Buy LTC Insurance

2 Myths and Realities

3 Cost Factors

4 Plan Details

5 Benefits of This Plan

6 Summary and Next Steps

Why Do You Think People Might Buy Long Term Care Insurance?



Reasons People Buy Long Term Care Insurance

- Help **protect retirement savings** they have put aside
- Help **protect family** and friends from the burdens of care giving
- Help **maintain choice** of where they receive their care
- Help them **stay in their homes** for as long as possible
- Help them maintain a level of **control and independence** in their lives



Are you concerned about these issues?



Myths and Reality

It won't happen to me

Myth

My insurance already covers this

Myth

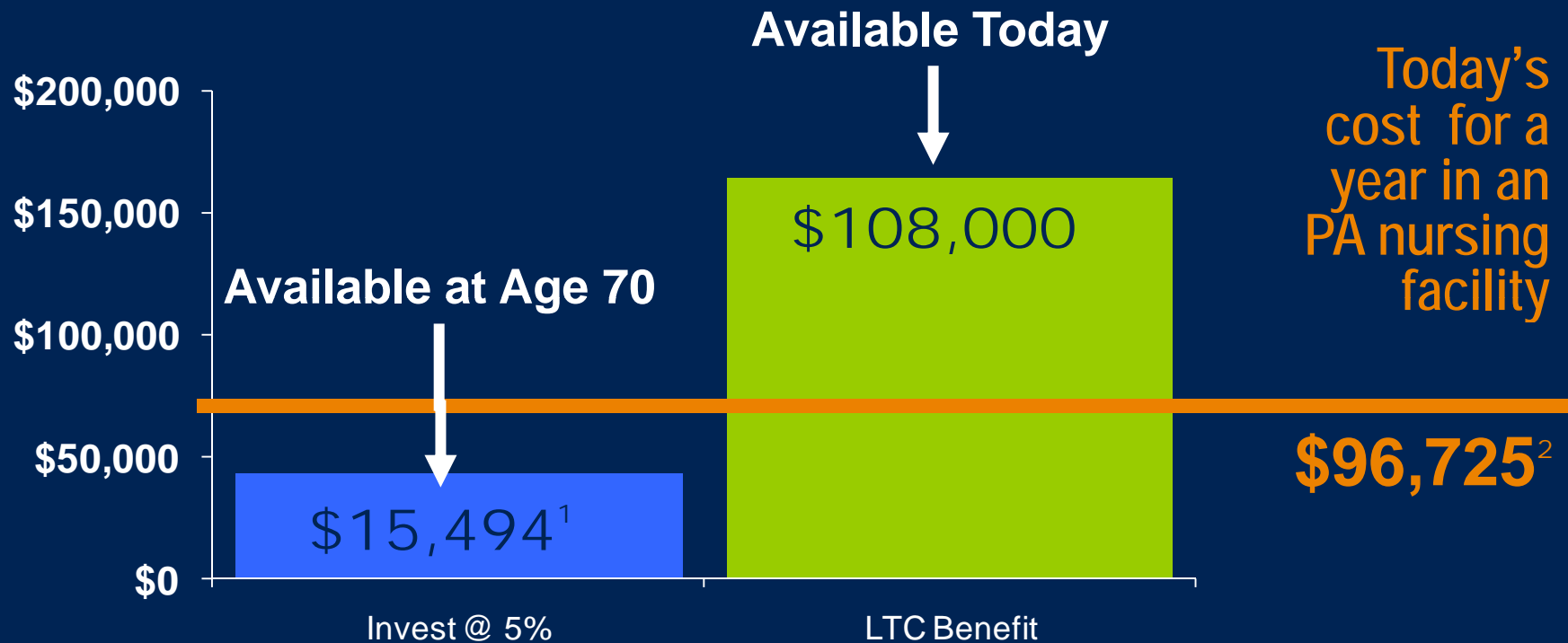
The government will pay

Myth

I can pay for this out of my savings

Myth

Can You Pay for Long Term Care out of Your Savings?



A 45-year old investing the equivalent of their monthly premiums to age 70, would not have enough to pay today's cost for one year in a nursing home

1. Based on \$3,000 Monthly Maximum, \$108,000 total coverage and FPO Benefit increase Option

2. Genworth Financial Cost of Care Survey. Conducted by CareScout 4/2011. Assumes nursing home care is within private room.

Myths and Reality

It won't happen to me

Myth

My insurance already covers this

Myth

The government will pay

Myth

I can pay for this out of my savings

Myth

I can rely on my family

Myth

It's too expensive

Myth

Is Long Term Care Insurance affordable?

Coverage for a 45-year old, under this program can be as low as **\$ 22.80*** per month – less than a dollar a day.

PREMIUMS AT SOME OTHER AGES:

Age 50	\$29.77*
Age 55	\$41.70*
Age 65	\$95.15*

* Premiums shown are case specific and depend on the plan designs and options available

What Does Long Term Care Insurance Cover?

Long term care insurance covers the costs of services that help people perform everyday activities* they may have difficulty doing or may need substantial supervision for.

Long term care situations can result from:

- **Injuries caused by accidents**
- **Illnesses like MS**
- **Diseases like Alzheimer's or Parkinson's**
- **Strokes and other chronic conditions**

* Activities include Bathing; Dressing; Eating; Continence; Toileting; and Transferring. Cognitive impairment that requires substantial supervision also qualifies for long term care.

Pennsylvania Costs of Care

	ANNUAL COSTS	COSTS FOR 3 YEARS OF CARE
HOME CARE *	\$45,760	\$137,280
ASSISTED LIVING FACILITY	\$36,000	\$108,000
NURSING HOME** FACILITY	\$96,725	\$290,175

* Based on 44 hours of homecare provided by a non-licensed but certified provider @ \$20 per hour

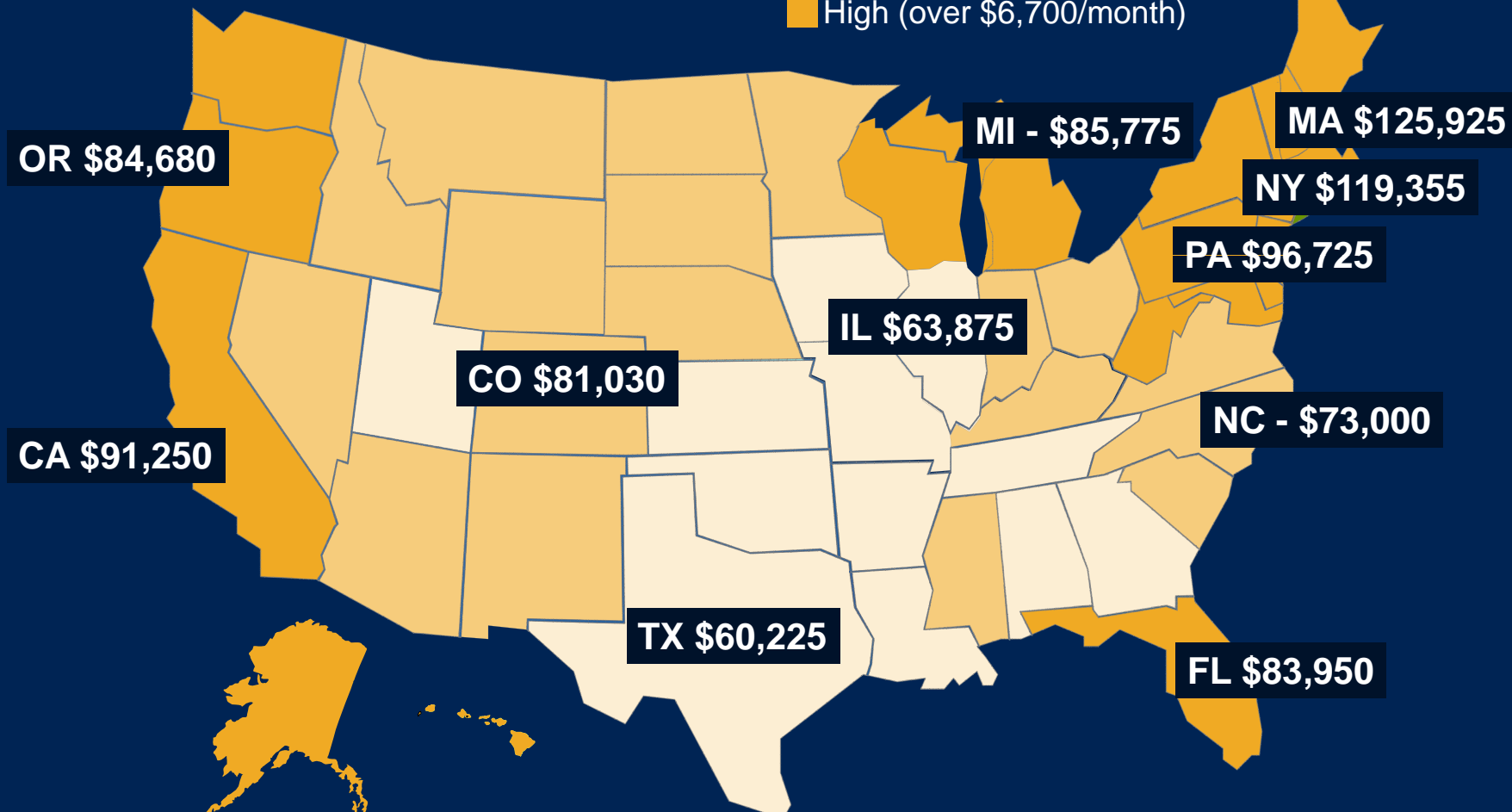
** Based on the annual cost of a private room in a nursing home in the state of Pennsylvania

Key Location Annual Costs*

National Average \$77,745*

PA Average \$96,725

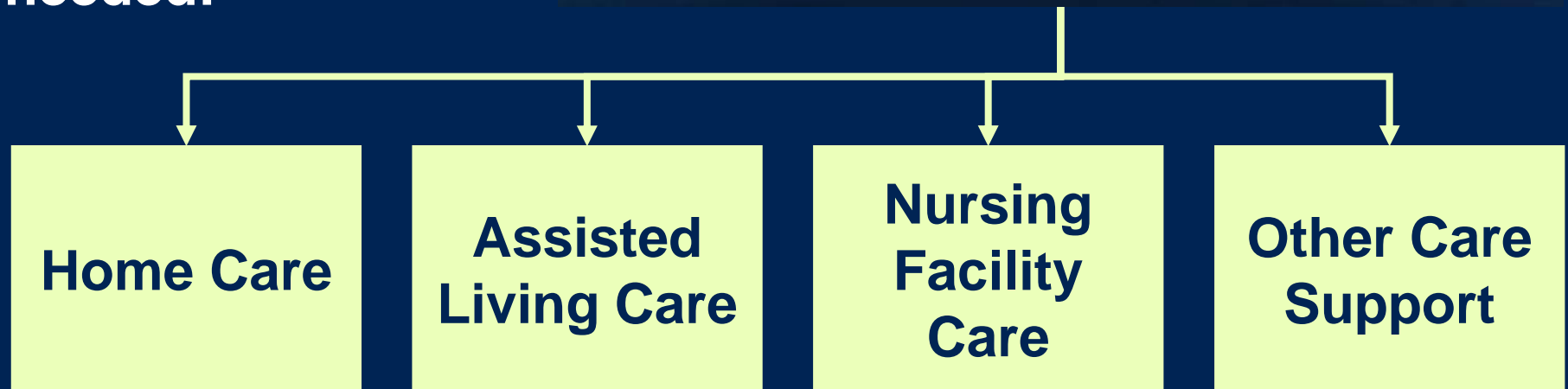
- Low (up to \$5,500/month)
- Average (\$5,500 – 6,700/month)
- High (over \$6,700/month)



* Private Nursing Home Median Annual Rate, Genworth 2011 Financial Cost of Care Survey, Conducted by CareScout. 04/2011

How Does Long Term Care Insurance Work?

It provides a “pool of money” or **Total Coverage Amount** that can pay for long term care services when and where needed:



What Your Premium Can Buy...

**\$108,000
Total Coverage**

**\$25.91*
Monthly
Premium**



**~ 2.3 Years
Home Care**

OR

**~ 3 Years
Assisted
Living**

OR

**~ 1 Year
Nursing
Facility**

* Based on \$3,000/month, 3 years and the buy more coverage over time (FPO) benefit increase option

Total Lifetime Benefit Amounts* (Pool of Money)

- Total Lifetime Benefit = Monthly Benefit Maximum x Benefit Period (Months)
- Total Lifetime Benefit is subject to the Facility Care Maximum and the Monthly Benefit Period

Monthly Benefit Maximum

Benefit Period

	\$3,000	\$4,500	\$6,000	\$7,500
(24 Month Multiplier)	\$72,000	\$108,000	\$144,000	\$180,000
(36 Month Multiplier)	\$108,000	\$162,000	\$216,000	\$270,000
(60 Month Multiplier)	\$180,000	\$270,000	\$360,000	\$450,000

3 Plan Examples – Monthly Premiums for a 45-Year Old

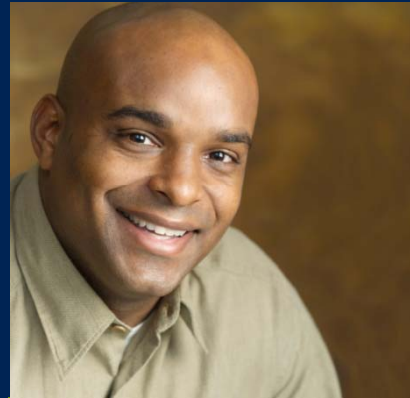


* Premiums shown are case specific and depend on the plan designs and options available

Plan Example Summary – Age 45



LEVEL 1



LEVEL 2



LEVEL 3

PREMIUM

\$22.80

\$38.87

\$78.05

TOTAL COVERAGE

\$72,000

\$162,000

\$450,000

PAYS UP TO:

- **Facility Care**
- **Home Care**

\$3,000/month

\$4,500/month

\$7,500/month

\$3,000/month

\$4,500/month

\$7,500/month

Level 1 Coverage



Choose Level 1 if you're concerned about...

- Selecting an affordable option to receive some coverage instead of none
- Being able to continue funding future needs such as college educations or retirement

\$22.80 Monthly Premium*

**\$72,000
Total Coverage**



~ 1.5 Years Home Care

OR

~ 2 Years Assisted Living

OR

~ 1 Year Nursing Facility

* Based on \$3,000/month, 2 years and the buy more coverage over time (FPO) benefit increase option

Level 2 Coverage



Choose Level 2 if you're concerned about...

- Covering the most typical long term care needs
- Creating a good balance between coverage level and affordability

**\$38.87 Monthly
Premium***

* Based on \$4,500/month, 3 years
and the buy more coverage over
time (FPO) benefit increase option

**\$162,000
Total Coverage**



~ 3.5 Years Home Care

OR

~ 4.5 Years Assisted Living

OR

~ 1.5 Years Nursing Facility

Level 3 Coverage



Choose Level 3 if you're concerned about...

- Getting extensive coverage to cover most long term care scenarios you could reasonably encounter
- Your family history increasing your chances of experiencing an LTC need

**\$78.05 Monthly
Premium***

**\$450,000
Total Coverage**



~ 10 Years Home Care

OR

~ 12.5 Years Assisted Living

OR

~ 4.5 Years Nursing Facility

* Based on \$7,500/month, 5 years and the buy more coverage over time (FPO) benefit increase option

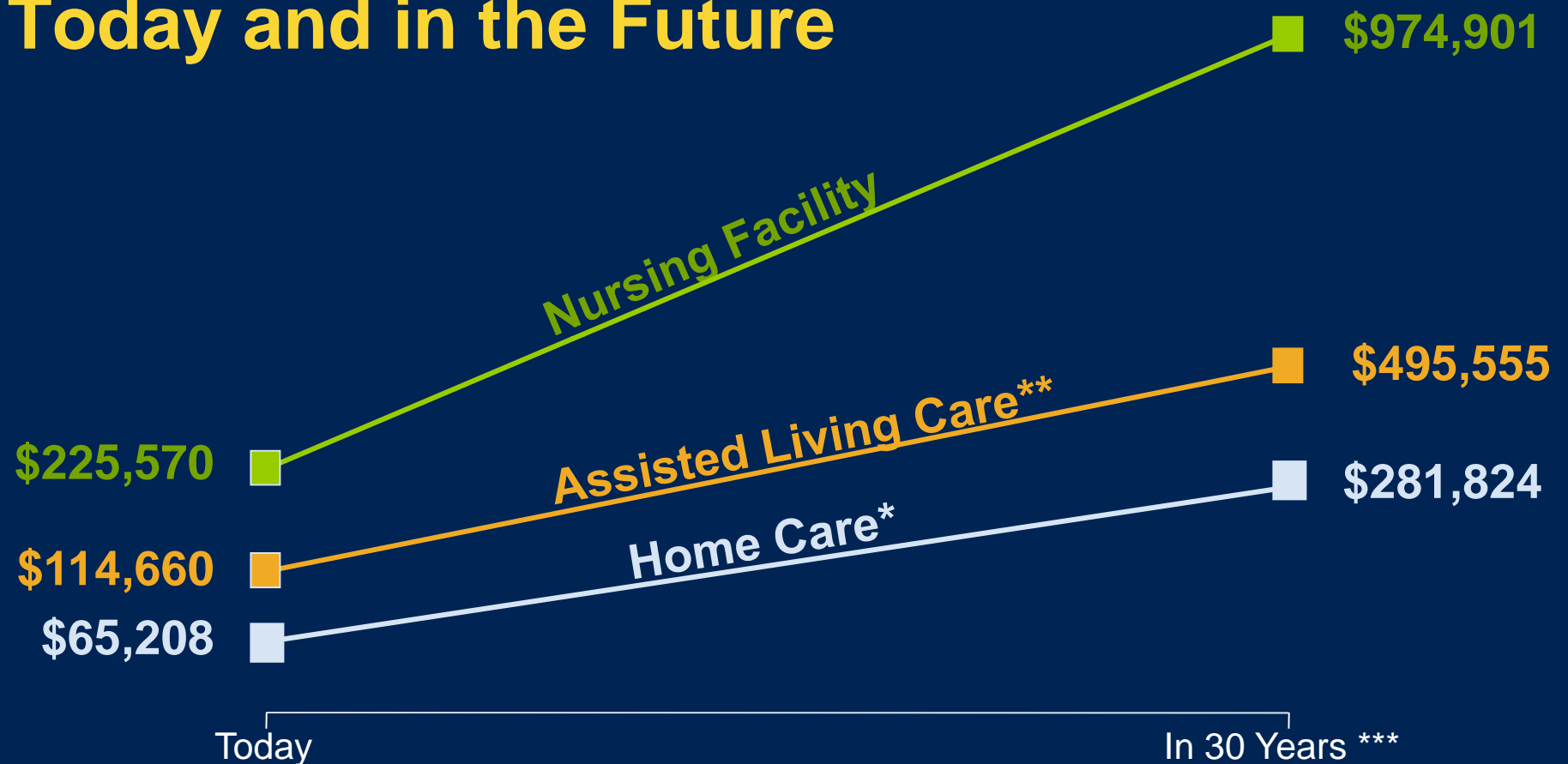
Keeping Your Coverage Meaningful in the Future

Today and near term, your plan will provide the coverage you need, but what about in the future?

How can you make sure your coverage keeps up with inflation?



Costs of Care Today and in the Future



* Based on 22 hours of homecare per week @ \$19 per hour

** Assisted Living Facility based on 1 Bedroom, Single Occupancy

*** Projected cost for 3 years of care in 30 years @ 5% annual inflation

All costs based on National Medians from Genworth 2010 Cost of Care Survey, conducted by CareScout. 04/2010

There Are 3 Ways to Increase Your Coverage for the Future

**\$162,000
TODAY**



Option #1

**Buy More
Coverage
Over time
(FPO)***

Option #2

**Automatic 3%
Compound
Increases for
Life**

Option #3

**Automatic 5%
Compound
Increases for
Life**

* Future Purchase Options (FPO)

Benefit Increase Options - Age 45

Option #1
Buy more coverage
over time (FPO)

Can grow to:
~ \$522,466**

Can grow to
~ \$290,929 *

- Premiums go up over time
- Costs less at issue

Option #2
Automatic
3% Increases for Life

**Automatically
Grows to**
~ \$339,192

- No decisions required
- Premiums stay level
- Less expensive compounding

Option #3
Automatic
5% Increases for Life

**Automatically
Grows to**
~ \$548,590

- No decisions required
- Premiums stay level
- Costs most at Issue

\$162,000 TODAY- Age 45

* If you accept FPO every 6 years to age 70

** If you accept FPO every 3 years to age 70

NOTE: Our Automatic Increase benefits are available as riders for an additional premium.

Who Is Eligible to Apply for This Program?

- Actively at work, full-time employees working at least 35 hours per week and at least 39 weeks per year
- Employee's spouse under age 80
- Employee's (Step) Parents and (Step) Parents-in-law under age 80
- Employee's (Step) Grandparents and (Step) Grandparents-in-law under age 80
- Employee's adult children and siblings under age 80 *

To be eligible, the person must maintain a permanent US residence, and have a valid Social Security Number or Tax Identification number from the US government.

* Not available in all states.

Initial Enrollment Underwriting

Applicant	Application
<ul style="list-style-type: none"> • Eligible Employees and New Hires up to and including age 65 during initial enrollment 	Guarantee Issue
<ul style="list-style-type: none"> • Eligible Employees and New Hires ages 66 – 69 during initial enrollment • Spouses up to and including age 65 during initial enrollment 	Short Form <ul style="list-style-type: none"> • 4 question form • Height / weight parameters • Medical records may be requested
<ul style="list-style-type: none"> • Eligible Employees and New Hires over age 69 during initial enrollment • Spouses over age 65 during initial enrollment • All Other Applicants 	Long Form <ul style="list-style-type: none"> • Full medical underwriting • Medical records are requested
<ul style="list-style-type: none"> • Current JH Insureds 	1 Health Question & Height/Weight

Why Buy Now?

- Employees are eligible for **no** or **reduced underwriting** (depending on age) ONLY during their initial enrollment period.
- Spouses have **streamlined underwriting** ONLY during their initial enrollment period.
- If you postpone the decision to buy, you **may not qualify** due to future health issues.
- **Premiums increase with age** so the longer you wait to buy, the higher your premiums will be.



* Premium Chart based on Coverage Level 2

Key Advantages of This Program

- **Flexible choices** to match your needs
- **Spouses and other family members** 18-79 can also apply
- Pays for covered care in the **full range of settings**
- Care coordination is included at **no additional cost**
- This program is **fully portable**
- Up to a **5 year rate guarantee** *
- There is a **30 day free look**
- **Simple enrollment** by web or phone
- Premiums can be **payroll deducted, direct billed or electronic funds transfer**

* Not available in all states.



The Pennsylvania Long Term Care Insurance Partnership Program

The Pennsylvania Long Term Care Partnership Program

- Recognizes Partnership Qualified Long Term Care Insurance
- Helps to protect your assets as a Pennsylvania resident
- Gives dollar for dollar asset protection for each dollar of benefits paid under qualified long term care insurance

Qualified Long Term Care Insurance

- Your Group Program does not qualify under the Pennsylvania Partnership Program

**State Regulations May Change.
This Information is Current as of 2/1/2011**

About Genworth

#1 Provider of Individual LTC Insurance*



Industry Leading Experience

- Over 36 Years of LTCI Experience
- Providing unparalleled service

Unmatched LTC Commitment

- AARP
- Alzheimer's Association

*LifePlans 2008 Long Term Care Individual and Group Writers Survey Results. Based on number of individual policies sold in 2008
Individual policies in-force as of 2008 LifePlans

How to Sign Up – 3 Easy Choices

ABC COMPANY

Your Long Term Care Insurance Program
Underwritten by Genworth Life Insurance Company

Visit ABC's website. Home About Genworth Contact Us Log Out

Learning Center

About LTC **Plans** **Applying**

How do I choose my coverage?
How can I keep up with the rising costs of care?
What happens when I need care?
What are the advantages?
What else is included in this program?
What care is not covered?

Announcements
Follow the steps below to customize a quote that can fit your budget.

Read **Video** **printer friendly version** **email this**

How do I choose my coverage?

Like any important choice, you should let your personal priorities guide you. Three simple elements, weighed against your priorities, can help you with the answer...

- The Monthly Benefit:** The maximum amount the plan will pay for covered services each month.
- The Total Coverage Amount:** The total amount the plan will pay for covered services over the lifetime of the coverage.
- Benefit Increase Options:** How your Monthly Benefit and Total Coverage levels can increase over time to keep up with the rising costs of care.

You will get to make choices on all three, so read on to learn more about how you can select the coverage that's right for you.

next topic: How can I keep up with the rising costs of care?

Step 1: Get a quote

Your plan

Cost	\$19.38 per month
Total Coverage	\$162,000
Monthly Benefit	\$4,500

[calculate the cost of waiting >](#)
[calculate self-insuring options >](#)
[view your group's contribution >](#)
[compare plans >](#)
[view plan details >](#)
[print or email quote >](#)

Step 2: Customize plan

Customize your plan

Here is a place to start... Based on the amounts people typically spend on assisted living care in your area a Monthly Benefit of \$4,500 and Total Coverage of \$162,000 have been pre-selected. Customize your coverage by adjusting the benefit sliders below.

Monthly Benefit | ?
How much does care cost in my area | ?
What is the cost of waiting | ?

Total Coverage | ?
How much Total Coverage do I need | ?
What if I invested instead of buying insurance | ?

Benefit Increase Options | ?
Which benefit increase option is right for me | ?

Discounts
How can I reduce my cost | ?

Back Next step: **Apply**

1

Choose a Monthly Benefit

2

Choose a Total Coverage Amount

3

Choose a Benefit Increase Option

Click here to apply

Next Steps...

Take advantage of the limited-time offer of no or reduced underwriting (depending on age) during this enrollment period:

March 19 – April 13, 2012

Apply on the Website:

OR

Call Customer Service:

genworth.com/groupltc

1 800.416.3624

Group Name: dickinson

Access code: groupltc

Talk to your spouse, parents, parents-in-law, and grandparents about this program. They are also eligible to apply up to age 80.

Details You Should Know

- There is no Return of Premium if you don't use the benefits
- Rates are designed and priced for long term stability-however they could increase
- There is an elimination or waiting period-works like a deductible
- Care not covered includes:

Care by immediate family member except informal care

Care for which no charge is made in the absence of insurance

Care by Veterans Administration or other government facility

Care outside US except as covered by the international benefit

Care resulting from alcoholism, drugs, war or act of war

Care covered by workers comp, occupational disease act or similar

- Non-duplication and coordination

Only pay for coverage amounts over and above Medicare, or other state programs except Medicaid
Won't, in combination with other long term care insurance, pay more than expenses incurred.

Important details are explained in the Outline of Coverage, available in your Information Kit or on the Dickinson College Group Long Term Care Insurance web site

Additional Disclosures

- This insurance program is underwritten by Genworth Life Insurance Company
- Coverage is provided under Group Policy Number 12036 on policy form series 7046
- Coverage is intended to be tax qualified under IRS code 7702(B)
- State variations may apply. Refer to your outline of coverage for coverage definitions, benefits, features, exclusions and limitations.
- This material is part of a solicitation for Group Long Term Care Insurance



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