

A Consumer's Guide To



Long-Term Care Insurance

NYSUT Member Benefits Trust wants members to be the best-informed consumers in the state. This Consumer's Guide is one of our contributions to achieving that goal. We hope you will find it helpful and informative.

What would you do if you or your spouse had an unexpected accident or illness that required long-term care? Who would take care of you if you were unable to care for yourself? Do you have the financial resources to pay for extended care in your home or in a nursing home? Would the bills wipe out your entire savings?

Many people are under the illusion that they are already covered for long-term care under their current medical insurance or Medicare. Health insurance plans usually do not pay for long-term care services. Less than 18 percent of the nation's total long-term care costs are covered by Medicare. Also, disability insurance typically does not reimburse for long-term care expenses.

Unfortunately, most people are not covered for long-term care at the time when they actually need it. As a result, many individuals and their families have to pay for the care themselves and risk spending much of their life savings.

Doesn't Medicaid cover long-term care?

Medicaid will cover long-term care, but in order to be eligible for Medicaid you must "spend down" your assets*. And once eligible, Medicaid limits where you can receive care and leaves the patient's spouse with little or no financial resources to face his or her own future and long-term care needs.

There's something you can do

You have, however, the ability to do something to avert this type of financial strain. You can plan ahead by purchasing a long-term care insurance policy. Like any insurance, you have to buy it before you need it. Once you develop a long-term care condition, you cannot enroll in a long-term care insurance plan.

Attention New York state residents: Refer to the **New York State Partnership for Long-Term Care section, pages 11-12, for information about this program that allows individuals to receive Medicaid without depleting their assets.*

This brochure is designed to provide you with some basic information about:

- What's usually covered and not covered in a policy
- When benefits are paid
- Which extra provisions to look for
- Where to buy a policy
- What the New York State Partnership for Long-Term Care program is
- How to compare several policies

The glossary at the end of this booklet contains several terms relating to long-term care insurance.

What exactly is long-term care?

Long-term care is the kind of care you need when you are unable to care for yourself independently, when you are unable to eat, bathe, dress, use the bathroom or even be left alone. You may need this care because of an accident, a chronic medical condition, a disability or simply because you're aging.

Long-term care insurance coverage can help pay the high cost of custodial care and other long-term care expenses often associated with a long-term illness or injury that can occur at any age.

What's covered?

Long-term care insurance covers care received in a nursing home, assisted living facility, adult day care center (or similar setting), or in your own home when you need assistance with activities of daily living, such as eating and bathing. Long-term care insurance may be purchased as "comprehensive" coverage or "facilities only" coverage.

Custodial care provides assistance when you cannot care for yourself, such as cooking, housecleaning, bathing and eating. Coverage for custodial care can add to the cost of long-term care insurance, but it is the kind of care that is usually needed by people requiring long-term care. Therefore, you should consider a policy that provides custodial care as well as skilled and intermediate care.

A Comprehensive long-term care plan, by definition, offers coverage for care received in the broadest of settings and may include coverage for the locations listed above as well as for homemaker services, informal caregivers such as friends or family members, and hospice. A Facilities Only plan, sometimes referred to as a Nursing Home Only plan, may provide coverage for care received in a nursing home, assisted living facility or hospice.

Generally, policies only pay for care received in facilities or given by providers who are licensed by the state, participate in Medicaid and/or Medicare and meet a policy's definition of covered care. Because each policy may define "facility" or "provider" differently, it would be to your advantage to first verify if the nursing homes and home health care agencies in your area (or the area where you plan on living) meet the policy's requirements for benefits before purchasing a policy.

What's not covered?

The most common illnesses and injuries generally not covered include:

- Alcoholism and drug addiction
- Attempted suicide or an illness or injury resulting from an intentionally self-inflicted injury
- Certain mental and nervous disorders or diseases, other than Alzheimer's disease. (If a policy doesn't specifically state that Alzheimer's disease is covered, you should request a written guarantee from the insurance company that the policy will cover it.)
- Illness caused by an act of war
- Treatment or care at a government facility
- Care rendered outside of the United States and its territories

How much is the benefit?

A long-term care policy will normally pay benefits based on a daily rate. You are responsible for paying any expenses above the daily limit.

Benefits range from about \$75 to more than \$300 for each day care is required, although a lower benefit may be paid for home or community-based care.

*Note to New York state residents in Bronx, Kings, Nassau, New York, Queens, Richmond, Rockland, Suffolk and Westchester Counties: Due to New York State Insurance Department regulations, if you purchase coverage with a \$75 daily benefit, your coverage will be called “**nursing home and home care insurance.**” If you purchase at least \$100 per day, your coverage will be called “**long-term care insurance.**”*

Lifetime Maximum - Most long-term care policies limit the benefit amount they pay over the lifetime of the policy. This maximum lifetime benefit is either a period of time, typically from three to six years, or a fixed dollar amount. A separate benefit limit may apply to each confinement, or the limit may include a combination of confinements. Once the lifetime maximum is reached, no other benefit will be paid.

Some policies also limit the number of consecutive days for which coverage is provided. Furthermore, policies express the maximum benefit for home care in several ways: as a daily benefit based on a percentage of the nursing home benefit, an exact number of visits, or a specific number of units of care. For example, 40 home care visits may equal 20 units. Or the policy may cover home care at 50 percent of the nursing home benefit with no limit on the number of visits until the lifetime maximum benefit is reached.

However, some policies offer an unlimited lifetime maximum benefit. The unlimited benefit continues to pay for covered services subject to the Daily Benefit Amount, as long as the care is eligible under the terms of the policy.

When are benefits paid?

Each policy has different requirements that must be met before paying benefits. Most policies require that you satisfy a waiting period (sometimes called a deductible) before benefits are paid for care. Some policies also have pre-existing condition limitations. Others require a physician to certify that a nursing

home stay is necessary for a particular medical condition. Some policies require prior hospitalization or skilled nursing home care before paying benefits.

Policies pay benefits after a person has been certified by a licensed health care practitioner that he or she is chronically ill. Chronically ill means the insured is unable to perform a certain number of activities that are necessary for daily living or requires substantial assistance to protect himself or herself due to a severe cognitive impairment. The activities for daily living, sometimes referred to as ADLs, include bathing, eating, dressing, transferring (getting in and out of bed or chair), using the toilet and maintaining bowel and bladder control. The number and types of functions listed as daily activities as well as which activities you must be unable to perform may differ from one policy to the next. For example, a policy may consider five activities of daily living and require that you be unable to perform two of those five. Another may list six activities and require that you be unable to perform three — a more liberal requirement.

Pre-existing Condition - A pre-existing condition is an illness, disease or injury for which you received medical advice or treatment by a physician before you applied for coverage. Some insurance companies impose a six-month pre-existing condition limitation. This means that care relating to a pre-existing condition will not be covered for the first six months after the effective date of the policy. Other insurance companies may impose a shorter or longer time limitation, while some companies do not have a pre-existing condition limitation. You are responsible for paying any expenses incurred during the limitation period that are related to the pre-existing condition.

Waiting Period (or Deductible or Elimination Period) - Generally, this is the number of days you must be in a nursing home or receiving home care before a benefit is paid. Some policies only require that you qualify under the benefit eligibility but do not require you actually pay for your care yourself. With other policies, you are responsible for paying any expenses incurred during the waiting period.

Policies usually differ in the number of days you must wait before a benefit is paid. For example, one

policy may begin paying a benefit on the first day of care while another may pay after 30, 60 or 90 days. Often, a new waiting period must be satisfied each time new care is needed.

Before you select a policy, estimate the amount you can afford to pay out of your own pocket before insurance benefits begin. Also consider whether you have to meet a new waiting period if you stop receiving care for a while. Policies differ here as well. For example, one policy may require that you meet a new waiting period if you have not received care for 30 days. At the other end, some policies do not require a new waiting period until you have gone 180 consecutive days without any care.

Prior Hospitalization Requirement - Some policies require a period of hospitalization before a benefit is paid for care in a nursing home. You may want to reconsider a policy that contains this requirement because many people enter a nursing home without ever spending time in a hospital.

Prior Skilled Nursing Home Care - Some policies require that skilled nursing care be provided before a benefit is paid for intermediate nursing care, custodial care or home care. Keep in mind, the need for intermediate nursing care, custodial care or home care can precede skilled nursing home care. Besides, one of the reasons many people buy long-term care insurance is to be able to afford to remain at home.

What else should I look for in a policy?

Financial Strength of Underwriter - Because long-term care insurance is a long-range financial commitment, it is critical that the insurance carrier be financially stable and committed to staying in the long-term care business. You want to make sure the company will be there when you need your benefits.

Check how the major independent rating agencies (e.g., A. M. Best Company, Moody's Investor Service, Standard & Poor's Insurance Rating Services) rate an insurance company for its financial integrity and claims-paying ability.

Commissions to Agents - When policies are sold by agents, upwards of 70 percent of the first year's premiums can go toward the agent's commission. If you purchase a policy through an agent, the commission should be within reason. Some associations that offer long-term care insurance eliminate the use of agents, which results in premiums covering the cost of the policy, not going toward commissions.

Within the policy itself, there are certain features to consider before selecting one. These include:

Inflation Rider - As inflation and other costs steadily increase, the amount of today's daily benefit may not meet future needs. An inflation rider automatically increases the daily benefit amount as the cost of long-term care rises. Some policies adjust the benefit automatically each year by three percent to five-percent of either your previous year's benefit (often referred to as "compounding") or by your initial first-year benefit. The benefit may increase every year for the rest of your life or it may stop after a certain period of time. Depending on the coverage you choose, an inflation rider can increase your premium by as much as 25 percent to 60 percent.

Often policies offer another kind of inflation rider, whereby you have the opportunity to periodically buy additional coverage (generally every three to five years). The amount of additional coverage is added to your current daily maximum and lifetime maximum benefit.

Some policies limit the number of times you can decline the inflation increase. For example, if you decline two consecutive offers, it will no longer be available to you.

Waiver of Premium - A waiver of premium provision should be included in the policy you purchase. This provision permits you to stop paying the premium during the time a benefit is being paid. Some policies may add restrictions to this provision, such as a required stay at a nursing home for a certain number of days (usually 90 days).

Paid-up Premiums - Generally, premiums are paid for insurance coverage until long-term care is needed.

Some policies, however, let you pay a higher premium over a limited number of years, so that after a certain period of time, your premiums are either paid-up in full or in part.

There are two advantages to paid-up premiums. First, any rate increase after you are paid up will not affect you. Second, by paying up premiums while you are still working, you can avoid paying premiums during your retirement years.

Nonforfeiture Benefits - Policies with a nonforfeiture benefit provision will pay a partial benefit on a canceled policy, providing you already paid premiums on that policy for a specific number of years. A nonforfeiture benefit returns part of what you paid in premiums in the form of a benefit - not cash. The policy should state the amount of the benefit that will be paid. For example, suppose you paid premiums for 15 years before your policy was canceled. If the policy had a nonforfeiture benefit provision, you might be eligible for as much as 45 percent of the benefit amount.

Ability to Increase or Decrease Coverage - Your needs may change in the future. Make sure you have the flexibility to change your coverage to meet those needs.

Underwritten Policy - A policy that is underwritten considers your past and present health status and your ability to perform activities that are necessary for daily living in deciding whether to allow you to enroll. Your health history is used to determine your eligibility for coverage.

Care or Case Managers - Some policies include provisions that offer the services of a care manager. Care managers evaluate a person's need for care, develop a treatment plan, help locate and coordinate services, and monitor the care of a patient. The services of a care manager are usually available to the policyholder and family members on a voluntary basis.

Death Benefits/Return of Contribution - If you die without having used up all your benefits, a policy

with a death benefit pays all or part of the unused premiums to your beneficiary or estate.

How much does a policy cost?

As you research different policies, you will see that each policy charges a different amount for what may seem like similar coverage. The reason for the difference in price is that insurance companies usually determine the cost of coverage based on several factors: the age at which coverage is purchased, the benefits offered under the policy, requirements to qualify for benefits, the services (such as care management) provided by the insurance company, underwriting guidelines (how many people are rejected for coverage), and the insurance company's estimate of how many people will drop coverage before collecting a benefit.

Age - With many policies, long-term care premiums are lower when you begin paying them at a younger age because the age at which you first buy the policy determines the premium amount for the life of the policy. With this pricing method, called level premiums, there are cost advantages to buying at a younger age, because the younger you are when you enroll, the lower your premiums. For example, if you initially purchased insurance with level premiums at age 50, your premium will be less than if you started paying premiums at age 75.

Benefits Offered - Policies that offer more coverage and a higher benefit normally charge higher premiums. For example, the premium for a policy offering a daily benefit of \$100 with a 14-day waiting period should cost more than a policy with a daily benefit of \$75 with a 30-day waiting period.

Premiums may be paid on a monthly, quarterly, semi-annual or annual basis. Once a policy is purchased, the premium should remain the same over time. However, the insurance company has a right to increase premiums for all policyholders if it has paid out a significant number of claims and needs to increase premiums to cover the cost of these claims or if an increase is approved by your state's insurance department.

Rate Guarantee - Insurance companies may offer a rate guarantee with their long-term care policies, meaning that they will guarantee premium rates will not increase for a specified period of time. Many policies limit their rate guarantee to 30 days; others may guarantee rates for a longer period of time.

When can I purchase long-term care coverage?

Most long-term care policies are offered to individuals between ages 21 and 79. However, some insurance companies will let you purchase a policy at a younger or older age.

Where can I purchase long-term care coverage?

Most long-term care policies are sold by insurance companies directly to individuals. In addition, some organizations and associations, including unions, employers, retirement communities and health maintenance organizations, make this insurance available to their members and their families. Generally, policies offered by unions and employers provide more coverage at lower premiums.

When can a policy be canceled?

A policy that is “guaranteed renewable” cannot be canceled by the insurance company, unless you made misrepresentations about your health on the application and/or failed to pay premiums on time.

A policy may be canceled if it is “conditionally renewable.” This means that the policy can be canceled if the insurance company terminates all long-term care policies for all individuals who have similar coverage within a particular region.

If you purchase a policy through an organization or association, it can be canceled if it is conditionally renewable. Be certain that you could continue to participate in the program if your affiliation with the organization or association ends. This is called portability or conversion.

What is the New York State Partnership for Long-Term Care?

New York State has established a Partnership for Long-Term Care (Partnership) program designed to help New York residents plan for long-term care. This program promotes the availability of Partnership-approved long-term care insurance policies issued only by participating insurers to residents of New York state. Partnership policies contain unique features and must be approved by the Insurance Department of the State of New York.

The goal of the Partnership is financial independence and asset preservation for individuals and Medicaid preservation for the State. Consumers purchase a Partnership Long-Term Care policy and keep it in force, and the State protects them against the cost of extended-care situations through its Medicaid program.

How does a Partnership policy differ from other long-term care policies?

Benefit - If you exhaust the benefits of your Partnership policy, you are eligible to apply for Medicaid regardless of the type or amount of assets you own; there is no limit to the assets you may keep and still receive Medicaid. However, you are required to contribute a substantial portion of your income toward the cost of your care in accordance with Medicaid regulations.

Required Minimum Standards - The Partnership's standards are among the highest standards applied to long-term care policies. Areas affected include duration of benefits, daily coverage amounts, length of elimination period and services covered.

Partnership policies must include level premiums, portability and 5 percent inflation protection.

Extended Grace Period Option - Selecting this option protects you if you are not able to manage your finances.

Denied Claims - Any claim denied by the insurer will be reviewed by the Partnership.

Arbitration - If you disagree with a claim denial, you may appeal in court or select arbitration.

Keep in mind that the New York State Partnership Plan is linked with eligibility for the New York State Medicaid program, not with Medicaid in other states.

For more information about the New York State Partnership for Long-Term Care program, call (888) NYSPLTC (697-7582). Outside New York state call (518) 473-8083. You may send a written request for information to:

New York State Partnership for Long-Term Care
NYS Dept. of Health
1 Commerce Plaza, Room 726
99 Washington Ave.
Albany, NY 12260

Other factors to consider

Each long-term care policy offers different benefits and coverage amounts and may even define its provisions differently. Therefore, it is important that you have a firm understanding of exactly what is covered (and what is not) before purchasing a policy. Read it over carefully and ask questions if a term is confusing or if you are not sure whether a particular form of care is covered.

You should also compare the price, coverage and benefits offered by several policies. Take into consideration:

- How much you can afford to pay out of your own pocket for long-term care expenses
- What types of services would best meet your personal long-term care needs
- How much you can afford to pay for insurance coverage

Federal legislation has given tax-qualified status to certain long-term care insurance policies. The Health Insurance Portability and Accountability Act (HIPAA) of 1996 was intended to support the government's goal of encouraging the purchase of private long-term care insurance. A tax-qualified plan under HIPAA allows the insured to exclude long-term care benefits

from taxable income. Additionally, the 1996 law permits the deduction of all or a portion of the long-term care insurance premiums on your income tax return if they, along with your non-reimbursed medical expenses, exceed 7.5 percent of your gross income. You should consult with your tax adviser on how HIPAA may impact your long-term care insurance plan.

The worksheet at the end of this booklet helps you to identify and compare the benefits offered under different policies. Compare one policy to another to determine which one best meets your needs.

Is long-term care insurance right for me?

Long-term care insurance provides valuable coverage, but it is important to remember that it is not for everyone. The decision to buy coverage is a very personal one - one that should be based on your individual circumstances and finances.

Want more information?

For an informative brochure explaining the NYSUT Member Benefits Trust-endorsed long-term care insurance plan, which includes an approved New York State Partnership option, contact:

NYSUT Member Benefits Trust
(800) 626-8101
e-mail: benefits@nysutmail.org
Web site: www.memberbenefits.nysut.org

For information about contractual expense reimbursement/endorsement arrangements with providers of endorsed programs, please contact NYSUT Member Benefits Trust or refer to your NYSUT Member Benefits Trust Summary Plan Description.

Long-Term Care Worksheet

Use this worksheet to identify and compare the benefits offered by different long-term care policies.

What to look for in a Policy	Policy A	Policy B	Policy C	Policy D
<p><i>What's covered?</i></p> <ul style="list-style-type: none"> • Nursing home care • Home health care • Custodial/personal care • Community-based care 	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p><i>How long will benefits last?</i></p> <ul style="list-style-type: none"> • Nursing home care • Home health care • Custodial/personal care • Community-based care • Overall total care 	<p>_____ days</p> <p>_____ days</p> <p>_____ days</p> <p>_____ days</p> <p>_____ years</p>	<p>_____ days</p> <p>_____ days</p> <p>_____ days</p> <p>_____ days</p> <p>_____ years</p>	<p>_____ days</p> <p>_____ days</p> <p>_____ days</p> <p>_____ days</p> <p>_____ years</p>	<p>_____ days</p> <p>_____ days</p> <p>_____ days</p> <p>_____ days</p> <p>_____ years</p>

What to look for in a Policy	Policy A	Policy B	Policy C	Policy D
<p><i>How much does the policy pay?</i></p> <ul style="list-style-type: none"> • Nursing home care • Home health care • Custodial/personal care • Community-based care • Overall total care 	<p>\$ ____/day \$ ____/day \$ ____/day \$ ____/day \$ ____/year</p>	<p>\$ ____/day \$ ____/day \$ ____/day \$ ____/day \$ ____/year</p>	<p>\$ ____/day \$ ____/day \$ ____/day \$ ____/day \$ ____/year</p>	<p>\$ ____/day \$ ____/day \$ ____/day \$ ____/day \$ ____/year</p>
<p><i>What are the lifetime maximum benefits?</i></p> <ul style="list-style-type: none"> • Nursing home care • Home health care • Custodial/personal care • Community-based care • Overall total care 	<p>\$ ____; ____ days \$ ____; ____ days \$ ____; ____ days \$ ____; ____ days \$ ____; ____ days</p>	<p>\$ ____; ____ days \$ ____; ____ days \$ ____; ____ days \$ ____; ____ days \$ ____; ____ days</p>	<p>\$ ____; ____ days \$ ____; ____ days \$ ____; ____ days \$ ____; ____ days \$ ____; ____ days</p>	<p>\$ ____; ____ days \$ ____; ____ days \$ ____; ____ days \$ ____; ____ days \$ ____; ____ days</p>

What to look for in a Policy	Policy A	Policy B	Policy C	Policy D
<p>Before benefits are payable:</p> <ul style="list-style-type: none"> • Activities of daily living -# of activities listed in policy -# of activities you must be unable to perform 	<p>_____</p> <p>_____</p> <p>_____ days</p> <p>_____ days</p> <p>_____ months</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>_____</p> <p>_____</p> <p>_____ days</p> <p>_____ days</p> <p>_____ months</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>_____</p> <p>_____</p> <p>_____ days</p> <p>_____ days</p> <p>_____ months</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>_____</p> <p>_____</p> <p>_____ days</p> <p>_____ days</p> <p>_____ months</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<ul style="list-style-type: none"> • Waiting period -Nursing home stay -Home health care 	<p>_____</p> <p>_____</p> <p>_____ days</p> <p>_____ days</p> <p>_____ months</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>_____</p> <p>_____</p> <p>_____ days</p> <p>_____ days</p> <p>_____ months</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>_____</p> <p>_____</p> <p>_____ days</p> <p>_____ days</p> <p>_____ months</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>_____</p> <p>_____</p> <p>_____ days</p> <p>_____ days</p> <p>_____ months</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<ul style="list-style-type: none"> • Pre-existing condition limitation • Prior hospitalization -Skilled nursing care -Intermediate nursing care -Custodial/personal care -Home health care 	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<ul style="list-style-type: none"> • Prior skilled nursing home care -Intermediate care -Custodial/personal care -Home health care 	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

What to look for in a Policy	Policy A	Policy B	Policy C	Policy D
Is Alzheimer's Disease covered? <i>Other provisions</i> <ul style="list-style-type: none"> • Inflation rider • Waiver of premium -Added cost -When does it begin?	Yes <input type="checkbox"/> No <input type="checkbox"/> \$ ____/mo.; \$ ____/yr \$ ____/mo.; \$ ____/yr	Yes <input type="checkbox"/> No <input type="checkbox"/> \$ ____/mo.; \$ ____/yr \$ ____/mo.; \$ ____/yr	Yes <input type="checkbox"/> No <input type="checkbox"/> \$ ____/mo.; \$ ____/yr \$ ____/mo.; \$ ____/yr	Yes <input type="checkbox"/> No <input type="checkbox"/> \$ ____/mo.; \$ ____/yr \$ ____/mo.; \$ ____/yr
What's the premium? <ul style="list-style-type: none"> • Including extra provisions • Not including extra provisions 	\$ ____/mo.; \$ ____/yr \$ ____/mo.; \$ ____/yr	\$ ____/mo.; \$ ____/yr \$ ____/mo.; \$ ____/yr	\$ ____/mo.; \$ ____/yr \$ ____/mo.; \$ ____/yr	\$ ____/mo.; \$ ____/yr \$ ____/mo.; \$ ____/yr
Cost of Coverage in Your Area <ul style="list-style-type: none"> • Nursing home • Home health care agency -Skilled nursing care -Unskilled nursing care • Adult day care 	Nursing Home/Home Health Agency A \$ ____/day \$ ____/visit \$ ____/visit \$ ____/visit	Nursing Home/Home Health Agency B \$ ____/day \$ ____/visit \$ ____/visit \$ ____/visit	Nursing Home/Home Health Agency C \$ ____/day \$ ____/visit \$ ____/visit \$ ____/visit	Nursing Home/Home Health Agency D \$ ____/day \$ ____/visit \$ ____/visit \$ ____/visit

Glossary

Note: Terms and definitions used in this Glossary were provided from the New York State Partnership for Long-Term Care Consumer Booklet.

Activities of Daily Living (ADLs) are activities that people do independently every day – eating, bathing, dressing, moving about (mobility), transferring (for instance, from a bed to a chair), using the toilet, and maintaining bladder and bowel continence.

Acute Care is medical care that is required for a short period of time to cure a certain illness and/or condition.

Adult Day Care refers to health support and rehabilitation services provided in the community to people who are unable to care for themselves independently during the day but are able to live at home at night.

Alternate Level of Care is care received as a hospital inpatient when there is no medical necessity for being in the hospital, and is for those persons waiting to be placed in a nursing home or while arrangements are being made for home care.

Asset Protection refers to the protection from Medicaid “spend-down” requirements available under the Medicaid Extended Coverage feature of the New York State Partnership for Long-Term Care.

Assisted Living refers to a residential setting in which ongoing care and related services are provided to support an individual in the performance of activities of daily living (ADLs) and in meeting other care needs as a result of physical disability or cognitive impairment.

Care Management refers to the services provided by a professional, typically a licensed nurse or social worker, to assess, coordinate and monitor the overall medical, personal and social services needed by an individual requiring long-term care.

Cognitive Impairment refers to the loss or deterioration of intellectual capacity in people suffering from conditions, such as Alzheimer’s Disease or similar forms of irreversible dementia, characterized by such symptoms as: short- or long-term memory loss; loss of orientation as to people,

places or time; and loss of ability for deductive or abstract reasoning.

Custodial Care is care provided for individuals who need assistance but are not convalescing. Examples of custodial care are cooking, housecleaning, bathing and eating.

Elimination Period is the number of days of private payment for long-term care services after insurance benefits are triggered before benefits are paid by the insurer. Sometimes this period is defined as the waiting or deductible period.

Home Health Care refers to a wide range of long-term health care services, from skilled care and physical therapy to personal care delivered at home or in a residential setting.

Long-Term Care, also called chronic or custodial care, is assistance, expected to be provided for at least 90 days, to people with chronic health conditions, physical disabilities and/or cognitive impairment, who are unable to care for themselves without the help of another person.

Long-Term Care Insurance is insurance available through private insurance companies as a means for individuals to pay for needed care and protect themselves against the high costs of long-term care.

Medicaid is a means-tested program supported by federal, state and local funds, and administered by each state to provide health care for eligible individuals.

Medicaid Extended Coverage is the New York state medical assistance (Medicaid) available to Partnership participants. Eligibility for this assistance is based on the participant's income only; asset resources are not counted. The recovery of the value of the Medicaid assistance, correctly paid, shall not be taken from the estate of the participant or by placing a lien against the participant's property at any time.

Medicare is a federal government insurance program to assist those age 65 and older and the disabled with medical and hospital expenses. Medicare covers only skilled care in a skilled nursing facility and limited nursing care at home. It does not provide benefits for

personal or custodial care, and for this reason provides limited assistance in a program of long-term care. Medicare requires co-payments and deductibles.

Medicare Supplement or “Medigap” Policies are private insurance policies that supplement Medicare benefits by covering co-payments and deductibles for medical and hospital expenses. These policies do not provide coverage for personal or custodial care, and for this reason provide limited assistance in long-term care situations.

Nursing Home is a facility that provides room and board and a planned, continuous medical treatment program, including 24-hour-per-day skilled nursing, personal and custodial care.

Personal Care refers to assistance provided by another person to help with walking, bathing, eating and other routine activities of daily living. It is provided by aides who are not medical professionals but are trained to help with these tasks.

Respite Care is nursing home or home care that temporarily replaces the existing level of support received from an informal, non-paid caregiver for the purpose of providing care and supervision to the patient while relieving the caregiver.

Skilled Nursing Care is nursing and rehabilitative care provided by, or under the direction of, skilled medical personnel.

Spending-down refers to depleting almost all income/assets to meet eligibility requirements for Medicaid.

Tax-Qualified Policy provides favorable tax treatment for premiums and benefits paid by the policy. These policies must conform to the requirements of the federal Health Insurance Portability and Accountability Act of 1996 in order to gain the favorable tax status. Long-term care insurance policies approved as tax-qualifying by the New York State Insurance Department also are provided favorable tax treatment by the state of New York.

**NYSUT Member Benefits Trust
offers Consumer's Guides
on these additional topics:**

- **Automobile Insurance**
- **Disability Insurance**
- **Homeowners and
Renters Insurance**
- **Legal Services**
- **Life Insurance**