

# Long-Term Care Insurance

This guide contains information for individuals shopping for long-term care insurance. The Louisiana Department of Insurance, SHIIP Division, has prepared this publication to assist you in your understanding of long-term care insurance.

Given the tremendous changes in long-term care insurance policy design within the last few years (for instance, elimination of prior hospitalization requirements, expansion of available benefits and coverage of additional sites), buyers today are clearly receiving more benefits for their premium dollars. We want to publicly express appreciation to the many companies and their representatives for providing information for this guide.

Long-term care insurance is a complex product, with many variations among companies. Properly comparing any two policies is a challenge. Complicating the process even further, many companies offer more than one comprehensive plan or offer riders that effectively convert a basic comprehensive plan into an integrated plan. Compiling information from many companies- no matter how careful the data compilation- is still a process that produces inconsistencies and possible errors in the data displayed. Please keep this in mind when you draw your own conclusions from this guide.

If you need personal assistance and counseling, the Senior Health Insurance Information Program counseling staff can help you understand and sort out problems with:

- Medicare
- Medicare Supplement Insurance

- Medicare+Choice
- Medicaid
- Long-Term Care Insurance
- Other Health Insurance Options

The SHIIP volunteer counselors are trained by the SHIIP staff, having completed a required 20-hour (3-day) mini-course covering Medicare, Medicare supplement insurance, Medicare+Choice, Medicaid, long-term care insurance, and other health insurance options. If you would like to visit with a trained counselor or are interested in becoming one, please contact SHIIP at 1-800-259-5301.

This booklet is intended as a “guide”. Once you have selected a company, you should consult with the insurance company or its representative to determine policy specifics and review the options that are available with the company. If a company you are checking on is not listed, please contact the SHIIP office at toll-free 1-800-259-5301 for further information.

Consumer brochures explaining other insurance policies are available. These are also available from the:

Louisiana Department of Insurance  
P.O. Box 94214  
Baton Rouge, Louisiana 70804-9214  
[www.ldi.la.gov](http://www.ldi.la.gov)





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## I. WHAT IS LONG-TERM CARE?

Long-term care involves a wide variety of services for people with a long physical illness, a disability, or a cognitive disorder (such as Alzheimer's Disease). Long-term care includes many different services that help people with chronic conditions overcome limitations that keep them from being independent. Long-term care helps one maintain his or her level of functioning, as opposed to improving or correcting a medical condition. Long-term care services include, but are not limited to, help with activities of daily living, home health care, respite care, adult day care, nursing home care and assisted living care. If an individual has a physical illness or disability, they will often need hands-on help with their activities of daily living (ADLs). These ADLs are usually referred to as: bathing, continence, dressing, eating, toileting and transferring (see page 12 for further explanations). If someone has a cognitive impairment, they will usually need supervision, protection, or verbal reminders to do their everyday activities. The way long-term care services are provided will continue to change. However, skilled care and personal care are still the terms most often used to describe long-term care and the type or level of care you may need.

- **Skilled Care:** People usually need skilled care for medical conditions that require care by medical personnel, such as registered nurses or professional therapists. This care is usually provided 24 hours per day, is ordered by a physician, and follows a treatment plan.

*Note: Medicare and Medicaid have their own definition of skilled nursing care. They do not necessarily match the definitions found in long-term care policies.*

- **Personal Care:** This is also called custodial care. It helps one perform activities of daily living, such as bathing, continence, dressing, eating, toileting and transferring. Personal care is less involved than skilled care and may be provided in many different settings.

## II. HOW MUCH DOES LONG-TERM CARE COST?

Long-term care can be expensive. The cost will depend on the amount and type of care you need and where you get it. In 2001, the national average cost was more than \$54,900 for a year of nursing home care. In Louisiana, the average cost is less than the national average. If you receive skilled care in your home by a visiting nurse for two hours each visit, three times a week, the bill would be about \$19,300 per year. Personal care in your home from a home health aide, three times a week, two hours each day would cost about \$10,600 per year.

## III. HOW WOULD YOU PAY FOR LONG-TERM CARE SERVICES?

Long-term care services are usually paid for by one or more of the following methods:

### **Individual Out-of-Pocket:**

Individuals and their families pay less than one-third of all nursing home costs out of their own funds. Generally, the money is obtained from savings, investments or by selling their assets, such as land or their home, to help pay for long-term care.

### **Medicaid:**

Medicaid pays for more than half of all nursing home care. Medicaid may also pay for some home and **community-based** services. To qualify, you must meet federal poverty guidelines for income and assets. You may have to “**spend down**” or use up

most of your assets before Medicaid is able to help. Many people begin paying for nursing home care out of their own funds and then spend down their financial resources until they are eligible for Medicaid. Medicaid will then pay part or all of their nursing home expenses.

### **Medicare:**

Medicare will cover the cost of some skilled care in an approved nursing home or in your own home, but only in certain situations. Medicare's benefit in a skilled nursing facility (SNF) covers up to 100 days of care if you meet Medicare requirements. Medicare's coverage for home health care is based on set requirements for skilled medical services in your home for the treatment of an illness or injury. Medicare does not pay for personal care (custodial care); however, it will be covered if you're also getting skilled nursing care or therapy and the care is related to the treatment of your illness or injury. You should not rely on Medicare to pay for your long-term care needs.

### **Medicare Supplements:**

Medicare supplement plans help fill the gaps in Medicare's coverage. These plans do not cover long-term care expenses. However, Medicare supplement plans (D, G, I and J) pay up to \$1600 per year for people recovering at home from an illness, injury, or surgery. The benefit will pay for short-term, at-home help with activities of daily living.

### **Long-Term Care Insurance:**

Long-term care insurance is designed to help pay for an individual's long-term care expenses. Depending on the plan you choose, it may pay part or all of your care. This guide will help you decide if you need a long-term care insurance policy to help you pay for your long-term care services. If you decide to purchase one, this guide will

provide information to select the one that will best fit your needs.

## **IV. WHO MAY NEED LONG-TERM CARE SERVICES?**

Your need for long-term care may begin gradually as you find that you need more and more help with your activities of daily living, such as bathing or dressing. On the other hand, you may suddenly need long-term care after an illness, such as a stroke or heart attack. If you do need care, you may need nursing home or home health care for only a short time, or for months, years or for the rest of your life. Although it is difficult to predict if and when you may need care, the following studies may help you evaluate your need.

- One national study projected that 43% of people who turned age 65 in 1990 will go to a nursing home sometime in their life. This study reported that among people living to age 65, 1 in 3 would spend three months or more in a nursing home. About 1 in 4 will spend one year or more and 1 in 11 will spend five years or more in a nursing home. This study shows that 2 out of 3 people will either never go to a nursing home or will spend less than three months in one. Based on these projections, it is much more likely that you will need home health care than nursing home care.
- Women are more likely to need nursing home care than men are. The same study indicates that 13% of women will spend five or more years in a nursing home. Only 4% of men will be in a nursing home five or more years.
- As you grow older, your risk of needing nursing home care also goes up.

## V. DO YOU NEED LONG-TERM CARE INSURANCE TO PAY FOR SERVICES?

Long-term care insurance policies are becoming more popular and more widely used by individuals to pay for their long-term care expenses. With the passage of the Health Insurance Portability and Accountability Act of 1996 (see page 8, Section VI for a further explanation), it is anticipated that even more individuals will choose long-term care insurance policies to help cover their long-term care needs. People buy long-term care insurance for a variety of reasons. These reasons include:

- to avoid spending assets for long-term care,
- to make sure there are choices regarding the types and quality of care received,
- to protect family members from having to pay for care, or
- to decrease the chances of going on Medicaid.

However, long-term care insurance can be expensive, and is not appropriate for everyone. Whether or not you should buy a policy will depend on your age, health status, overall retirement objectives and income.

### Age:

The age that individuals buy long-term care insurance can vary, although most people consider purchasing this product in the middle age and early retirement years. Generally, it is better to buy a policy when you are younger. The annual premium is less and you will pay less total premium in the long run. In addition, if you delay, you run the risk of becoming uninsurable because of an accident or illness.

### Health:

If you already have existing health problems that are likely to result in the need for long-term care (for example Alzheimer's disease or Parkinson's disease), you will probably not be able to buy a policy. Insurance companies have medical under-writing standards to keep the cost of long-term care insurance affordable. Without these standards, most people would not buy coverage until they need long-term care services.

### Retirement Objectives:

One reason for purchasing long-term care insurance is to protect a nest egg for your spouse or for your children or grandchildren. It is important to look at your objectives for your retirement years to determine if it is important to protect your assets.

### **Can you afford long-term care insurance?**

Insurance Companies are required to design and utilize certain standards, known as "Suitability Standards." The purpose of these standards is to determine whether or not the purchase or replacement of long-term care insurance is appropriate for the applicant. This process involves a questionnaire known as a "personal worksheet," which reviews a person's income and assets. You are not required to complete this questionnaire, but usually it is in your best interest to accurately complete the information requested.

Long-term care insurance is not for everyone. For some, it is affordable and well worth the cost. For others, it is too costly, or the policy they can afford doesn't offer enough benefits to make it worthwhile. You should not buy a long-term care policy if the only way you can afford to pay for it is by not paying other important bills. It is a good idea to discuss this with a family member. If you buy a policy you should plan on paying premiums for the rest of your life, or until

you need to use the benefits.

Some professionals suggest that people consider the purchase of long-term care insurance if they:

- Own assets of at least \$75,000 (excluding home and automobile).
- Have annual retirement of at least \$25,000-\$35,000. This amount may be high or low depending upon costs where you live.
- Can pay the premium without adversely affecting their lifestyle.
- Can absorb possible future increases in premium.

It is important to remember that each situation is unique, and that the suggested income and asset minimums should not be treated as absolutes.

People who can afford these services receive help in the setting of their choice. Buyers of comprehensive long-term care insurance gain access to a wide array of services that help them age in place (their home), or receive skilled care in a nursing home as required. Policies typically cover home health aides and homemakers, and the cost of assisted living. Private insurance may also pay for respite care or home modifications. Some policies offer training for family caregivers, while others allow policyholders to pay family caregivers.

New evidence shows that more than 70 percent of policyholders now receiving benefits find that their long-term care insurance policy pays all of the costs of services they need. These benefits are reducing the burden on family caregivers, especially adult children. About two in three caregivers report that having long-term care insurance benefits available has reduced their level of stress.

## VI. WHAT IS A FEDERALLY TAX QUALIFIED LONG-TERM CARE INSURANCE CONTRACT?

A federally tax-qualified long-term care insurance contract is a contract that provides certain federal income tax advantages. These qualified contracts were created by the passage of the Health Insurance Portability and Accountability Act of 1996 "HIPAA." If you are paying a premium for a qualified long-term care contract, you may deduct part or the entire premium you pay for the policy. The premium can be added to your other deductible medical expenses. If this total amount exceeds 7.5% of your gross income, you can claim a deduction for any amount exceeding 7.5% of your gross income on your federal tax return. The following table shows the maximum amounts you can deduct.

Age	Limitation on Deduction
40 or less	\$240
41-50	\$450
51-60	\$900
61-70	\$2,390
71 and over	\$2,990

The maximum amount you can add to your other deductible medical expenses is based on your age at the end of each tax year. Benefits you receive from a qualified long-term care insurance contract are generally not taxable as income.

Benefits you receive from a policy that is not federally tax-qualified could be taxable as income. The tax-qualified policy form is clearly becoming the predominant choice in the marketplace. When HIPAA was first



passed in 1996, there was a fairly even split between the purchase of non-qualified and tax-qualified policies. Now, more than four out of every five policies sold are tax-qualified. In the last year or two, many companies have chosen to offer only the tax-qualified option.

### **Policies purchased before January 1, 1997:**

- HIPAA “grandfathered” these older policies to be considered “federally tax-qualified,” although they may not have all of the provisions of the new policies.
- The same income tax treatment applies to the grandfathered policies.
- You should carefully examine the advantages and disadvantages of trading the grandfathered policy for a new one. In most cases, it will be to your advantage to keep your old policy.

**Policies sold after January 1, 1997** that are intended to be considered tax-qualified for favorable income tax treatment must meet certain federal standards. In order to be a qualified long-term care policy:

- It must provide coverage only for **qualified long-term care services**.
- It must be guaranteed renewable, generally cannot provide a **cash surrender value**, and must include a number of consumer protections.

**Qualified long-term care services** are the most common services provided by long-term care providers. These services must be required by **chronically ill** individuals, and must be given according to a plan of care prescribed by a licensed health care practitioner. A person is considered to be **chronically ill** if they are expected to be unable to do at least two of five (or six) Activities of Daily Living without substantial help from another person for at least 90 days. Another way you may be considered chronically ill is if you need

substantial supervision to protect your health and safety because you have a cognitive impairment. If you have an old policy that was issued to you before January 1, 1997, these terms do not apply. Some life insurance policies may provide qualified long-term care benefits. The amounts that you pay out-of-pocket for that portion of the life insurance policy may be the same as a qualified long-term care policy. The benefits that you receive from a life insurance policy for long-term care are also treated the same as if they came from a qualified long-term care policy. You also must be considered to be chronically ill to get qualified long-term care services paid for from a life insurance policy.

**Note:** *Tax-Qualified plans may not be right for everyone. Since only 29 percent of taxpayers actually itemize their deductions, the tax savings on premiums may not be of benefit to you if you do not itemize. In addition, qualified plans may have more restrictive benefit triggers. However, the benefits you receive under a tax-qualified plan will not be taxable. Currently, until further regulations are received from the Treasury Department it is unclear whether the benefits on a non tax-qualified plan will be taxable. Many companies no longer sell non tax-qualified policies. Check with your personal tax advisor for further information.*

## **VII. HOW CAN YOU BUY LONG-TERM CARE INSURANCE?**

Private insurance companies sell long-term care insurance policies. You can purchase this coverage through:

- your insurance agent
- the mail
- a group policy of an employer
- membership in an association
- a life insurance policy

Insurance companies must be licensed in this state to sell long-term care insurance. If you decide to purchase a policy, please contact the Louisiana Department of Insurance to determine if the company you are considering is licensed and in good standing with the Department. To receive information on licensed companies, call toll-free, 1-800-259-5301 and ask for the Financial Division.

## VIII. HOW DO POLICIES WORK?

Long-term care insurance policies are not standardized like Medicare supplement plans. Instead, companies are selling policies that combine a variety of benefits and coverage in different ways.

Every policy is different. Long-term care insurance was “invented” about 30 years ago. Companies are still experimenting, looking for the best way to design their plans. Policies may also be complicated. Since there are so few standards for these new policies, every company must be careful to define its terms, benefits, and exclusions in the policy. Companies must deliver to a prospective buyer an “Outline of Coverage” which helps to explain these terms. You should be thorough when you shop for long-term care coverage. It is not easy to compare one policy with another. You could be comparing “apples with oranges.” SHIP provides counseling and assistance in reviewing long-term care policies. Call 1-800-259-5301 or (225) 342-5301 for assistance.

### A. WHAT SERVICES ARE COVERED?

If you buy a long-term care insurance policy, you should understand how it covers the many types of long-term care services you might use. Some policies cover only stays in nursing homes. Others cover only care in your home. Still others cover both

nursing home and home health care. Many policies also include coverage for adult day care centers, assisted living centers or other community facilities.

Some long-term care policies will only pay for care in *licensed* nursing facilities. Most policies sold today will pay for any long-term care you need in a licensed facility, not just certain types. You must, of course, meet the other eligibility requirements of the policy. These are explained later in this publication.

Home health care coverage also varies. Some policies pay benefits only for skilled nursing care performed in your home by registered nurses, licensed practical nurses, and occupational, speech, and/or physical therapists. Other policies offer broader home care coverage; for instance, the services of home health aides employed by licensed home care agencies. These policies generally will not pay benefits to family members who perform care in the home. Check the policy for specifics. **In most cases, you should purchase a comprehensive policy.**

### B. WHERE ARE SERVICES COVERED?

In reviewing long-term care insurance, it is not enough to know what services are covered. You should also know *where* services are covered. If you are not in the right type of facility, the insurance company can refuse to pay. New kinds of facilities may be developed in the future and it is important to know whether your policy will cover them. Some policies provide for care in any state-licensed facility, while others tend to limit the kinds of facilities where you can receive care.

Some policies list by name the types of facilities where you will not be covered, like homes for the aged and rest homes. Some

explicitly define the types of facilities they will cover. Some will say the facility must care for a certain number of patients or require a certain kind of nursing supervision. You should check these policy requirements very carefully.

### C. HOW ARE BENEFITS PAID?

Insurance companies usually pay benefits in one of two ways: the expense-incurred method or the indemnity method.

- **Expense-Incurred:** The insurance company pays either you or the provider for the actual expense up to the daily limits in your policy. The company will pay benefits to you only for services covered in your policy. Most policies bought today pay benefits using this method.
- **Indemnity Method:** The benefit is a set dollar amount. Once the company decides that you are eligible for benefits, it will pay benefits directly to you, not the provider. The policy spells out the amount the company will pay.

### D. WHAT IS NOT COVERED (EXCLUSIONS AND LIMITATIONS)?

Generally, insurance companies do not pay benefits if services are needed for:

- mental and nervous disorders or disease, other than Alzheimer's disease;
- alcoholism and drug addiction;
- illness caused by an act of war;
- treatment already paid for by the government; or
- attempted suicide or intentionally self-inflicted injuries.

*Note: In Louisiana, companies cannot exclude coverage for Alzheimer's disease.*

### E. HOW MUCH COVERAGE WILL YOU HAVE?

A policy or certificate may state the amount of coverage in one of several different ways. Be sure you understand how much coverage you will have and how it will cover the types of long-term care services you will receive. Your policy may pay different amounts for different types of long-term care services, such as a lesser amount for the home health care than for the nursing home benefit. In determining coverage amounts, you should understand the following terms that are found in policies to describe the amount of your coverage:

- **Maximum Benefit Limits**  
Most policies will limit the total benefits they will pay over the term of the policy. Words like "total lifetime benefit," or "total plan benefit" are often used to describe the maximum policy benefit limit. Companies also offer policies with unlimited lifetime benefits. When shopping for coverage, be sure to check the maximum amount of coverage that you will have. Which is better—a longer or shorter benefit period? Most nursing home stays are short (three months or less) but illnesses that go on for several years could mean very expensive stays. You will have to decide if you want protection for very long stays. Policies with longer benefit periods will cost more.
- **Daily / Monthly Benefit Amount**  
A policy may pay benefits on a daily, weekly, monthly or other basis. For example, in an expense-incurred plan, a policy might pay a daily nursing home benefit of up to \$100 per day. A policy might pay a weekly home care benefit of up to \$350 per week. Some policies will pay for single events, such as installing a home medical alert system. Often, insurance companies let you choose a

periodic benefit amount (usually \$50 to \$250 a day or \$1,500 to \$7,500 a month) for care in a nursing home. If your policy covers home health care, the benefit is usually some percentage (50% to 100%) of the benefit for nursing home care. It helps to know how much the facilities in your area charge for their care.



Questions on Long-term Care Insurance?

Call SHIIP. We can help.

**1-800-259-5301**  
**(225) 342-5301**  
**in Baton Rouge**

## F. WHEN ARE YOU ELIGIBLE FOR BENEFITS (BENEFIT TRIGGERS)?

“Benefit triggers” is the term a company usually uses to describe the way it decides when to pay benefits. This is an important part of a long-term care policy. Look at it carefully as you shop. It is usually described in the policy and outline of coverage under a section called “Eligibility for the Payment of Benefits” or simply “Eligibility of Benefits.” Different policies may have very different benefit triggers. Some policies use more than one way to pay benefits. Some states require certain benefit triggers. In addition, some benefit triggers may be different for home health care coverage than for nursing home care. The following are benefit triggers:

- **Activities of Daily Living**  
The inability to do activities of daily living or ADLs is the most common way insurance companies decide when you

are eligible for benefits. The ADLs most companies use are bathing, continence, dressing, eating, toileting, and transferring. Typically, a policy pays benefits when you cannot do a certain number of the ADLs, such as two or three of the six. The following are some definitions of the ADLs, although they may vary.

- a) **Bathing**- washing yourself either by sponge bath, in a tub, or in the shower; getting into or out of the shower or bath.
- b) **Continence**- maintaining control of bowel and bladder function or performing personal hygiene associated with a catheter or colostomy bag.
- c) **Dressing**- putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- d) **Eating**- feeding yourself by getting food into your body from a receptacle (plate, cup or table) or by using a feeding tube or intravenous tube.
- e) **Toileting**- getting to and from, on and off the toilet; performing associated personal hygiene.
- f) **Transferring**- moving in and out of a chair, bed or wheelchair.

If you are considering buying a policy that pays benefits when you cannot do certain ADLs, be sure you understand what that means. Some policies spell out very clearly what it means to be unable to feed or bathe yourself. Some say that you must have someone actually help you do the activities. That is known as “hands-on” assistance. It is more limiting than a policy that requires someone provide “stand-by” assistance. The more clearly a policy describes its requirements, the less confusion you or your family will have when you need to file a claim. It is important to know that the six ADLs have been developed through years of

research. This research has also shown that bathing is usually the first ADL that a person cannot perform. Qualifying for benefits from a policy that uses five ADLs may be hard if bathing is not one of them. *Note: For tax-qualified plans under HIPAA, you are expected to be unable, without substantial help from another person, to do at least two of five (or six) Activities of Daily Living (ADLs) for at least 90 days. This definition is used for this benefit trigger.*

- **Cognitive Impairment**

Many policies also pay or provide benefits for “cognitive impairment” or mental incapacity. The policy usually pays benefits if you can’t pass certain tests or other assessments of your mental function. Coverage of cognitive impairment is especially important if you have Alzheimer’s disease. If the inability to do ADLs is the only benefit trigger in your policy, it may not pay benefits if you have Alzheimer’s disease but can still do most of the ADLs on your own. However, if your policy also uses a test of your mental ability as a benefit trigger, it is more likely to pay benefits if you have Alzheimer’s. Louisiana law requires that all policies sold in Louisiana have Alzheimer’s disease as a benefit trigger. In addition, all tax-qualified policies must cover cognitive impairment.

*Note: For tax-qualified plans, your benefit trigger requires that you must need substantial supervision to protect your health and safety because you have a cognitive impairment.*

- **Doctor Certification of Medical Necessity**

Some policies will pay benefits if your doctor orders or certifies that the care is medically necessary. If you need personal care in a nursing home but are

not sick or injured, a policy that requires medical necessity may not pay benefits.

- **Prior Hospitalization**

Some policies sold several years ago required a prior hospital stay of at least three days before paying benefits. This requirement may make it harder for you to qualify for the benefits provided by your policy. In Louisiana, companies can no longer require a prior hospital stay before paying benefits.

## **G. WHEN DO BENEFITS BEGIN (ELIMINATION PERIOD)?**

Your long-term care benefits may not begin the first day you enter a nursing home or begin using home care. Most policies have an elimination period (sometimes called a deductible or a waiting period). With an elimination period, benefits begin 20, 30, 60, 90, or 100 days after you start using long-term care. Some policies have zero elimination periods, but these tend to cost more. The elimination periods may also be shorter for home health care benefits. The number of days you wait will depend on the number of elimination days you select at the time of purchase. Of course, during the elimination period, you will have to cover the cost of nursing care yourself.

In choosing an elimination period, you will want to weigh the trade-off between paying a higher premium for a policy that covers you soon after entering a nursing home, and paying out of your own pocket for the first days of eligible coverage. If your stay is short and you have a policy with a long elimination period, you may receive no benefits from your policy. On the other hand, if you can afford to cover a short stay, a longer elimination period might be in order. A longer period would protect you if you have a prolonged nursing home stay, and also would help keep the cost of your insurance down.

You may also want to think about how your policy pays if there is a repeat nursing home stay. Most policies currently being sold only require the elimination period to be satisfied once during the lifetime of the policy. Keep in mind that repeat nursing home stays do not occur very often, but it is good to review this when comparing policies.

## H. WHAT HAPPENS WHEN LONG-TERM CARE COSTS RISE (INFLATION PROTECTION)?

Inflation protection can be one of the most important additions you can make to a long-term care policy. However, some people hesitate to purchase inflation protection since it adds significantly to the cost of the policy. Unless your policy provides for a way to increase your daily benefit, years from now you may find yourself owning a policy whose benefit has not kept pace with the increasing costs of nursing home services. A nursing home that costs \$100 today will cost \$265 in 20 years, assuming an inflation rate of 5% a year. Obviously, the younger you are when you buy coverage, the more important it is for you to add inflation protection to your policy. You can usually buy inflation protection in two ways. The first regularly increases your benefits each year. The second lets you choose to increase your benefits regularly, such as every three years, at the price the company is currently charging. Be sure you understand the implications of accepting or rejecting an opportunity to increase the inflation protection benefits of your policy. There are also two types of increases made available, *simple* and *compound*. Under both, benefits are increased by a fixed percentage, such as 5%, but over time, these differ based on how the interest is calculated. These are explained as follows:

- **Simple:** The dollar amount of the increase added to the benefit is the same every year. Example: On a \$100.00 per

day policy that increases by 5% simple interest will provide \$200.00 per day in 20 years.

- **Compounded:** The benefits increase by an increasing dollar amount from one year to the next. Example: On a \$100.00 per day policy that increases at 5% compounded interest will provide \$265.00 per day in 20 years.

*Note: Louisiana law requires companies to offer the option to purchase inflation protection coverage at a rate not less than 5% compounded on an annual basis. This option is in addition to any other inflation protection options the company offers. You will have the opportunity to decide if you wish to purchase this. However, if you decline, you will be asked to sign a statement saying you do not want inflation protection. Be sure you understand what you are signing. See page 21 for more about inflation.*

## I. OTHER POLICY OPTIONS TO CONSIDER WHEN PURCHASING COVERAGE:

You will be able to select from a number of other options or policy features. Each option may add to the cost of your policy, but will enhance your coverage. However, many of these options will not cost extra, but are included in the base price. Be sure to ask which features will increase the cost of your coverage. The most common benefits are: assisted living facility, home health care, hospice care, respite care, alternate care services, case management services, restoration of benefits, medical equipment coverage, spousal discounts, survivorship benefits, bed reservation reimbursement, third party notice and waiver of premium. Some of these options are described below.

- **Third Party Notice** - It is required that this benefit be offered in Louisiana. Third party notice allows you to name

someone that the insurance company would contact if your coverage were about to end due to non-payment of premium. You can pick a relative, friend or a professional contact. After the company contacts the person you choose, he or she will have a set period of time to notify you to pay the premium or, if prior arrangements have been made between you and the person you chose as your contact, that person can pay the overdue premium. This is especially important for people who develop a cognitive impairment. You can sign a waiver if you do not want to name a person, although this is a recommended feature.

- **Waiver of Premium** - Waiver of premium allows you to stop paying your premium once you enter into a nursing home and the company has started to pay benefits. Waiver of premium may begin when the company makes its first payment or it can be a set period of time such as 90 days. The requirements may be different when receiving home health care benefits.
- **Non-forfeiture Benefits** – Non-forfeiture guarantees you will receive something (such as limited benefits or return of premium) if you cancel the policy or the company cancels because your payments stop. Nonforfeiture pays you back some value for the money you have paid into the policy.

Since long-term care insurance is *term* insurance, you have the protection only for as long as you pay the premium. Long-term care is not a savings or investment. It does not matter how much money you have paid, or how long you've had the policy, long-term care disappears when your payments stop. Loss of coverage will occur *unless* you are already receiving benefits under an eligible waiver of premium or the policy has a non-forfeiture provision. In Louisiana, companies are required to offer you the

option of a non-forfeiture benefit. The required benefit option would provide for a shortened benefit period extending the long-term care insurance benefits after your policy lapses. While this means the benefits will continue for a set period of time following a lapse, it generally will increase the current cost of your plan. Make sure you understand how much the additional non-forfeiture benefit option will add to the cost before determining if you want this additional option.

- **Premium Refund at Death** - The premium refund at death benefit refunds to your estate any premiums you paid minus any benefits the company paid on your behalf. You must have paid premiums for a certain number of years to receive these benefits. Some policies pay death benefits only if the policyholder dies before a certain age, usually 65 or 70. Death benefits also add to the cost of a policy.
- **Bed Reservation** - If you have to leave the nursing home and go to the hospital, the bed reservation benefit will make sure you have a nursing home bed if you return within a short period of time.
- **Restoration of Benefits** - Some policies restore the benefits that you have used. An example of such a scenario would be: You have a four-year policy and after three years of care in a nursing home, you find you no longer need that level of care and return home. If, after a period of time (more than six months), you return to the nursing home, then your benefits are restored and the policy is good for another four years. This is unlikely to occur, but can be very beneficial if it did.

## **IX. WILL YOUR HEALTH AFFECT YOUR ABILITY TO PURCHASE A POLICY?**

Companies that sell long-term care insurance “underwrite” their coverage. Underwriting means that they look at your health before they issue you a policy. Some companies do what is known as “short-form” underwriting. On the application, they may ask questions to find out if you have been recently hospitalized or are confined to a wheelchair. Most companies conduct more extensive underwriting. They may examine your current medical records and ask for a statement about your health from your doctor. These companies, however, may be more selective about whom they will insure. Having certain conditions that are likely to land you in a nursing home in the near future, Parkinson’s disease for example, probably will disqualify you for coverage. No matter what kind of underwriting a company uses, it is very important to answer all health questions truthfully. If a company later learns you have omitted health information, and the company relied on the misstatement to grant coverage, it can cancel your policy and return the premiums you have paid. Companies can usually cancel your coverage within two years after you buy the policy.

Most companies will issue a policy to people who have relatively minor health problems, and will cover those conditions immediately if they are disclosed on the application. Please refer to the following section regarding pre-existing conditions.

## **X. WHAT HAPPENS IF YOU HAVE PRE-EXISTING CONDITIONS?**

Insurance companies may have pre-existing condition limitations in their contracts. Pre-

existing conditions are generally defined as a condition for which one seeks advice or treatment, or had symptoms within a certain period of time before the policy went into effect. Most companies look at your health status, as explained before, and they may review your past history. This may be important to you if you have a pre-existing condition. A company that learns you didn’t tell them about a pre-existing condition on your application might not pay for treatment related to the condition and might even cancel your coverage. While some companies have pre-existing condition limitations in their contracts, most do not have them if the condition is disclosed on the application. In Louisiana, the maximum period for a pre-existing condition is six months.

## **XI. CAN YOU RENEW YOUR COVERAGE?**

When buying a long-term care policy you must consider not only whether you can afford to pay the premium now, but also whether you will be able to continue to pay the premiums in the future. Premiums on these policies are not guaranteed. When a policy is “guaranteed renewable”, it means that the company guarantees that it will offer you the opportunity to renew the policy and continue the coverage; it does not mean that you are guaranteed the opportunity of renewing at the same premium. Premiums may rise over time as companies begin to experience a greater payout in claims. *All individual policies sold in Louisiana must be guaranteed renewable.*

## **XII. WHAT DO POLICIES COST?**

A long-term care insurance policy can be expensive. You will need to be sure you can pay the premium for it and still afford your other health insurance coverage. It is not unusual for a couple aged 65 to spend around \$7,500 for all of their health



insurance coverage. The annual premium for a long-term care policy with good inflation protection can run about \$2,000 for someone age 65.

Premiums will be lower for those who are younger and more for those who are older. If you buy a policy at age 75, the premium will generally be two and one half times greater than if you had bought the policy at age 65. It could be six times higher than if you bought it at age 55. Inflation protection can add 25 to 100 percent to the premium depending on your age at purchase. Non-forfeiture benefits can also add significantly to the cost of your policy. Consider how much income you have and how much you can afford to spend on a long-term care policy now. Try to project what your income is likely to be in the future, what your living expenses will be, and how much you can pay for long-term care premiums. If you do not expect your income to increase, it may not be wise to purchase a policy now with a premium that is at the upper limit of what you think you can afford.

*Note: Beware of the word “level.” Some agents might tell you that your premium is “level” and imply that it will never rise. Louisiana has adopted regulations that prohibit insurance companies from using the word “level” in connection with the sale of guaranteed renewable policies. Therefore, the new rules require companies to tell prospective customers that the premiums on their policies may go up. In addition, a Louisiana law limits the increased amount insurers can charge for renewal premiums to no more than 15% of the premium amount charged for the prior twelve (12) month period.*



### **XIII. IF YOU ALREADY OWN A POLICY, SHOULD YOU SWITCH PLANS OR UPGRADE EXISTING COVERAGE?**

Before you buy a new policy, make sure it is better than the one you already have. If your agent has switched companies and wants you to switch to, carefully consider any changes. In addition, you will need to consider your health, to ascertain whether you can qualify for a new policy. Updating your coverage may be right for you, if for example, your existing policy required a prior hospital stay or did not pay benefits for Alzheimer’s disease. These are now illegal exclusions in contracts sold today. If you decide to switch, make sure your new application is accepted before canceling the old policy. If you cancel a policy in the middle of its term, some companies will not return any premiums you have paid.

### **XIV. REPLACING AN OLD LONG-TERM CARE POLICY**

**Shop before you swap.** If you purchased a long-term care policy several years ago, listed below are some good reasons to shop for a newer policy.

- Policies sold today include such benefits as home health care and adult day care, which may not be in an older policy.
- If your present policy had no inflation protection, the benefit level may have fallen behind the increase in health care costs.
- Older policies included some limitations, which are not allowed in policies sold today. For example, many older policies do not pay for long-term care unless you spent at least three days in a hospital before going into a nursing home.

Additionally, some older policies may have offered coverage for only a skilled or intermediate level of care. Many individuals enter at a custodial level.

- Premiums for a new policy with higher benefits might actually be lower than premiums on your old policy. That is because people who purchased at the same time as you are now filing claims, which could force the company to increase its rates to cover the expenses.

**Will you be able to swap?** If you are no longer in good health, there is probably no point in shopping for a new policy. You will probably be unable to find a company willing to sell you a policy. Since most companies charge premiums based on your age when you buy, you may also discover that you have passed the age when you can afford to swap.

It may, however, be appropriate to switch policies if you have an old policy with requirements for a prior hospital stay or for prior levels of care, and you are now in good health and can qualify for another policy. For example, if you purchased a good policy when you were younger, you might ask if the insurance carrier can enhance the policy by adding inflation protection.. It might be cheaper to keep the policy you have and improve it rather than buy a new one.



## XV. LONG-TERM CARE INSURANCE SHOPPING TIPS

### DO:

Do your home work. Get a realistic idea of what you need and how much you can afford to pay for it.

Shop around. There are many long-term policies with big differences in price and benefits.

Read the outline of coverage **very carefully**.

Ask questions about everything you do not understand.

Ask your lawyer, a friend, or a relative to review the policy to see what you may have missed.

Ask a trusted friend to join you when an agent visits your home.

### DON'T:

Don't buy on the first sales visit.

Don't sign a blank application.

Don't pay in cash.

Don't write checks payable to the agent. **Always** make checks payable to the insurance company.

Don't buy until you are sure you understand exactly what you are getting.

Don't buy unless you are sure you can afford to make the payments every year. Keep in mind that premiums may increase in future years.

## **XVI. POINTS TO KEEP IN MIND AS YOU SHOP**

### **Check with several companies and agents.**

It is wise to contact more than one company (and agent) before buying. Be sure to compare benefits as well as the types of facilities in which you have to use in order to receive coverage. Additionally, compare the limitations of coverage, the exclusions and, of course, the premiums (policies that provide identical coverage and benefits may not necessarily cost the same). The comparison form on pages 24 and 25 is provided for your convenience in comparing policies.

**Take your time and compare outlines of coverage.** Louisiana requires the agent to leave an outline of coverage at the time the agent initially contacts you. If the agent does not give you an outline or tells you he or she will provide it later, do not deal with that agent. If the agent gives answers that are vague or differ from information in the company literature, or if you have doubts about the policy, tell the agent you will get back to him or her later. Do not hesitate to call or write to the company and ask questions. **Beware** of an agent who claims the policy can be offered only once. Some companies may sell their policies through the mail, bypassing agents entirely. If you decide to buy a policy through the mail, contact the company if you do not understand how the policy works.

Discuss the policy with a friend or relative. You may also contact the Louisiana Insurance Department's Senior Health Insurance Information Program (SHIIP) at (225) 342-5301 or toll free 1-800-259-5301.

### **Do not be misled by advertising.**

Celebrities who endorse policies are professional actors and are paid to advertise. They are not insurance experts. Neither Medicare nor any other federal agency

endorses or sells long-term care policies. Be skeptical of any advertising that suggests the federal government is involved with this type of insurance.

**Do not buy multiple policies.** It is not necessary to purchase several policies to get enough coverage. One good policy is enough.

**Application and health questions.** Do not be misled by an agent who says your medical history is not important. Disclosing your medical history on the application is very important. If your answers to health questions are wrong or incomplete, the company might sell you a policy but refuse to pay your claims and can even cancel your policy.

- ✓ Make sure your answers are complete and accurate.
- ✓ If an agent fills out the application, check it carefully before you sign it.

**Be sure to get the name, address and telephone number of the agent and the company.** Obtain a local or toll-free number (if the company has one).

**If you do not receive your policy within 60 days, contact the company or agent.** When you receive your policy, keep it in a convenient place where you can find it and tell a trusted friend or relative where it is. Also, be sure to read the policy within the **30-day "free look" period** to be sure you have purchased the benefits you wanted.

**Read the policy again and make sure it provides the coverage you want.** Check the application you signed. It becomes part of the policy. If the application is not filled out correctly, notify the **insurance company** promptly.

**Check to determine whether or not your policy is considered to be a tax-qualified plan.** Be sure you understand the differences between tax-qualified plans and those that are not tax-qualified. It may also be a good idea to check with your financial advisor for further information.

**Third Party Notification.** Louisiana requires that all insureds have an opportunity to name a third party who will be notified in the event the company is no longer getting premium payments. Third party notification helps make sure that policyholders will not be canceled if they become ill and forget to send in their payments.

**Check on the financial stability of the company you are considering.** It is important to make sure the company is licensed in Louisiana. In addition, several private companies or rating agencies conduct financial analyses of insurance companies and rate them. These ratings carry no guarantee of accuracy but can provide you with information on how some analysts view the financial health of particular insurance companies. Different agencies use different rating scales, so be sure to find out how the agency labels its highest ratings as well as the ratings for the companies you are considering. Ratings from some agencies are available at most public libraries, or you can call the agencies directly at the numbers below. (Note that there will be an extra charge on your telephone bill for calls to a “900” number.)

- Best Company- (900) 555-BEST or (800) 424-BEST or at [www.ambest.com](http://www.ambest.com)
- DeMotech, Inc.- (614) 761-8602
- Duff & Phelps, Inc.- (312) 368-3157 or at [www.dcreco.com](http://www.dcreco.com)

- Fitch Investors Service- (212) 908-0500 or at [www.fitchbaca.com](http://www.fitchbaca.com)
- Moody’s Investors Service- (212) 553-0377 or at [www.moodys.com](http://www.moodys.com)
- Standard & Poor’s- (212) 208-1527 or at [www.ratings.standardpoor.com](http://www.ratings.standardpoor.com)
- Weiss Research, Inc- (800) 289-9222 or at [www.weissinc.com](http://www.weissinc.com)

Additionally, the Financial Division of the Louisiana Department of Insurance keeps information and filings on each company and can let you know if a company is licensed and in good standing with the Department. You may contact the Financial Solvency Division at 1-800-259-5301.

## **XVII. REVIEWING A POLICY DURING THE FREE LOOK PERIOD**

If you decide you do not want the policy after you purchase it, you can cancel, return the policy and get your money back if you notify the company within a certain number of days after the policy is delivered. This is called the “**free look**” period. Louisiana allows policyholders to cancel **within 30 days for any reason**. If you want to cancel, do the following:

- Keep the envelope the policy was mailed in, or insist your agent give you a signed delivery receipt when he or she hands you the policy.
- If you decide to return the policy, send it to the **insurance company** along with a brief letter requesting that the policy be canceled and your premium refunded.
- Send both the policy and letter by **certified mail and obtain a mailing receipt**.

- Keep a copy of all correspondence.
- The refund process usually takes 4 to 6 weeks.

*Note: If you have questions about the agent, the insurance company, or the policy, contact the Louisiana Insurance Department's Senior Health Insurance Information Program at 1-800-259-5301.*

## **XVIII. POLICIES FROM YOUR EMPLOYER**

Your employer may offer long-term care insurance as an additional benefit. The coverage provided by these employer-group policies is similar to what you could buy from an agent. Companies providing long-term care insurance usually give their employees a choice of benefit periods, maximum payments and elimination periods.

Group policies may offer non-forfeiture benefits and inflation protection. Some even allow employees to keep their coverage after they leave their employer. Group policies do this by offering continuation of coverage or conversion options.

Many employers also allow employees to buy coverage for their parents, which could be an advantage. Typically, employees' parents must pass the company's medical screening to qualify for coverage; employees usually do not have to pass any medical requirements. If your child's company offers such coverage, be sure to consider it carefully. It may offer advantages you will not find if you try to buy a policy on your own.

## **XIX. MORE ABOUT INFLATION**

Today, people are living longer and enjoying better health than they did just a few years ago. Medical scientists are

unlocking the mysteries of the human body at a faster pace, going beyond the science of vaccines and antibiotics, and entering the world of cell reproduction, genetic engineering and organ replacement. The future of pharmaceuticals is in developing drugs that prevent or delay disease, rather than just treat the disease. According to U.S. Census Bureau estimates, there were nearly 70,000 centenarians living in the United States in 2000. People over 85 are the fastest growing segments of the U.S. population. Even though many people will live in good health into advanced years, with advanced age comes chronic illness, and people near the end of life need more care. Many people who are living longer lives do so disabled. The role of inflation protection is more critical as the chances of our living to 90 to 100 increase. Although a person's current life expectancy is less than 90 to 100; you should insure for the unusual, not the normal. A long-term care policy should stand the test of time. Over time, the cost of care can inflate to double or triple what might be needed today. Some agents recommend purchasing a larger daily benefit rather than inflation protection. A possible problem with this approach is that you are over insured when there is less likelihood of needing the benefits and under insured when the likelihood is much greater.



## XX. GLOSSARY

### **Activities of Daily Living (ADLs)-**

Everyday functions and activities individuals usually do without help. ADL functions include bathing, continence, dressing, eating, toileting, and transferring. Many policies use the inability to do a certain number of ADLs (such as 2 of 6) to decide when to pay benefits.

**Adult Day Care-** Care during the day for adults, usually at senior or community centers.

**Alzheimer's Disease-** A progressive, degenerative form of dementia that causes severe intellectual deterioration.

**Assisted Living Facility-** A residential living arrangement that provides individualized personal care and health services for people who require assistance with activities of daily living.

**Benefit Triggers-** A term used by insurance companies to describe when to pay benefits.

**Care Management Services-** A service in which a professional, typically a nurse or social worker, may arrange, monitor, or coordinate long-term care service.

**Chronic Illness-** An illness with one or more of the following characteristics: permanency, residual disability, causes disability, requires rehabilitation training, or requires a long period of supervision, observation, or care.

**Cognitive Impairment-** A deficiency in a person's short-or long-term memory; orientation as to person, place and time; deductive or abstract reasoning, or judgment as it relates to safety awareness.

**Community-Based Services-** Services designed to help older people stay independent and in their own homes.

**Custodial Care (Personal Care)-** Care to help individuals meet personal needs such as bathing, dressing and eating. Care may be provided by someone without professional training.

**Daily Benefit-** The amount of insurance benefit in dollars a person chooses to buy for long-term care expenses.

**Dementia-** Deterioration of intellectual faculties due to a disorder of the brain.

**Elimination Period-** A type of deductible; the length of time the individual must pay for covered services before the insurance company will begin to make payments. The longer the elimination period in a policy, the lower the premium.

**Guaranteed Renewable-** When a policy cannot be canceled and must be renewed upon expiration unless benefits have been exhausted. The company cannot change the coverage or refuse to renew the coverage for other than nonpayment of premiums (including health conditions and/or marital or employment status).

**Health Insurance Portability and Accountability Act (HIPAA)-** Federal health insurance legislation passed in 1996 that allows, under specified conditions, long-term care insurance policies to be qualified for certain tax benefits.

**Home Health Care-** Services for occupational, physical, respiratory, speech therapy, or nursing care. Also, included are medical, social worker, home health aide, and homemaker services.

**Homemaker Services-** Household services performed by someone other than yourself because you are unable to perform them.

**Inflation Protection-** A policy option that provides for increases in benefit levels to help pay for expected increases in the costs of long-term care services.

**Lapse-** Termination of a policy when a renewal premium is not paid.

**Medicaid-** A joint federal/state program that pays for health care services for those with low incomes or very high medical bills relative to income and assets.

**Medicare-** A federal program providing hospital and medical insurance to people aged 65 or older and to certain ill or disabled persons. Benefits for nursing home and home health services are limited.

**Medicare Supplement Insurance-** A private insurance policy that covers many of the gaps in Medicare coverage.

**Non-forfeiture Benefits-** A policy feature that returns at least part of the premiums to you if you cancel your policy or let it lapse.

**Pre-existing Condition-** Illnesses or disabilities for which you were treated or advised within a certain time period before applying for a health or life insurance policy.

**Respite Care-** Offers help for a few hours or several days to relieve family caregivers.

**Rider-** Addition to an insurance policy that changes the provisions of the policy.

**Substantial Assistance-** Means hands-on or stand-by help required to do ADLs.

**Substantial Supervision-** The presence of a person directing and watching over another person who has a cognitive impairment.

**Tax-Qualified Long-Term Care Insurance Policy-** A policy that conforms to certain standards in federal law and offers certain federal tax advantages.

**Third Party Notice-** A benefit that lets you name someone who the insurance company would notify if your coverage is about to end due to lack of premium payment. This can be a relative, friend, or professional such as a lawyer or accountant.

**Underwriting-** The process of examining, accepting, or rejecting insurance risks, and classifying those selected, in order to charge the proper premium for each.

**Waiver of Premium-** A provision in an insurance policy that relieves the insured of paying the premiums while receiving benefits.



## XXI. LTC INSURANCE COMPARISON WORKSHEET

*This form is to be used for the comparison of LTC policies. It is designed to aid consumers in making informed decisions.*

<b>Topic / Question</b>	<b>Policy 1</b>	<b>Policy 2</b>	<b>Policy 3</b>
<b>Company:</b> <ul style="list-style-type: none"> <li>• Is the company licensed?</li> <li>• Rating?</li> </ul>			
<b>Nursing Home Care</b> <ul style="list-style-type: none"> <li>• Pays for skilled care?</li> <li>• Personal (custodial care)?</li> </ul>			
<b>Benefits Payment (Daily or Monthly):</b> <ul style="list-style-type: none"> <li>• For Nursing Home Care</li> <li>• For Home Health Care</li> </ul> <b>Does the policy limit # of days, years or visits it will pay for:</b> <ul style="list-style-type: none"> <li>• Nursing Home Care?</li> <li>• Home Health Care?</li> </ul> <b>Total lifetime limit?</b>  <b>Elimination or waiting period for:</b> <ul style="list-style-type: none"> <li>• Nursing Home Care?</li> <li>• Home Health Care?</li> </ul> <b>Benefit Eligibility: Which benefit triggers are used to determine eligibility:</b> <ul style="list-style-type: none"> <li>• Unable to do ADLs without assistance and how many?</li> <li>• Cognitive impairment?</li> <li>• Require prior hospital stay?</li> <li>• Doctor certification of medical necessity?</li> </ul>			
<b>Prior Hospital or Skilled Nursing Facility stay required?</b>			
<b>Does the policy pay for care in any licensed facility? If not, what facilities are not covered?</b>			
<b>Does the policy pay for:</b> <ul style="list-style-type: none"> <li>• Adult Day Care centers?</li> <li>• Respite Care?</li> <li>• Care in other settings?</li> </ul>			



<b>Does the policy pay home health care benefits for:</b> <ul style="list-style-type: none"> <li>• Skilled Care?</li> <li>• Care by home health aides?</li> <li>• Any homemaker services?</li> </ul>			
<b>Does it cover care for Alzheimer’s disease?</b>			
<b>Does it pay in addition to Medicare or other insurance?</b>			
<b>Inflation protection feature?</b> <ul style="list-style-type: none"> <li>• Compounded or simple?</li> <li>• Automatic increases or option to increase?</li> </ul>			
<b>Waiver of Premium provision?</b>			
<b>Restoration of Benefit provision?</b>			
<b>Does the policy contain a non-forfeiture benefit?</b> <ul style="list-style-type: none"> <li>• Type of benefit?</li> </ul>			
<b>Does the policy have a pre-existing condition limitation?</b>			
<b>Any other policy benefits?</b>			
<b>Is this policy tax-qualified?</b>			
<b>Cost of the policy:</b> <ul style="list-style-type: none"> <li>• Annual premium for basic LTC Policy</li> <li>• Cost if the policy includes a Home Health Care benefit</li> <li>• Non-forfeiture benefit?</li> <li>• Inflation protection?</li> </ul>			

*Note: Companies can no longer require a prior hospital or SNF stay before one can be eligible for benefits. In addition, they cannot exclude benefits for Alzheimer’s disease. These questions are asked in this comparison because one may be comparing benefits of a new plan to a prior plan, which allowed this language.*

## XXII. KEY TO USING THE LONG-TERM CARE INSURANCE COMPARISON GUIDE

Long-term care insurance policies have not been standardized like Medicare supplemental insurance policies, and are available with a multitude of options. Properly comparing any two policies is a challenge. Complicating the process even further, many companies offer riders that effectively convert a basic comprehensive plan into an enhanced plan.

Compiling information from many companies (no matter how careful the data compilation) is still a process that produces inconsistencies and possibly errors in the data displayed. Please keep this in mind when you draw your own conclusions from this guide.

For the purposes of this comparison guide, we have compiled annual premiums for a preferred, tax-qualified comprehensive policy with a \$100 daily benefit. This figure was selected to ease the comparison process. Be aware that facilities may have higher daily rates. Keep in mind that some policies shown with a higher premium may have benefits that other policies do not have. The policies listed are comprehensive- they include benefits, such as 100% home health care, adult day care, assisted living, hospice, respite care, and caregiver training.

*Note: A variety of options and additional benefits are available on long-term care insurance policies. Use this guide as a preliminary reference, then consult with the insurance company or its representative to review a specific policy, benefits available, and premium rates.*

**Company-** Each of the companies shown is licensed to sell long-term care insurance in Louisiana. However, this may not be a complete list. If you are approached by a

company that is not on the list, you can confirm whether it is licensed in Louisiana by calling 1-800-259-5301.

**Address and Telephone Number-** You can contact the company to ask for more information about the policy, locate a local sales agent, or inform the company about problems with your policy.

**Purchase Age & Premium-** The premiums in this publication were in effect in September of 2002. They could change at any time. To find the approximate premiums you would pay, look down the column for the age nearest your present age (55, 60, 65, 70, 75, 80)

*Note: The Louisiana Department of Insurance requested the information from each company, and does not assume responsibility for the accuracy of this information. Premiums have been rounded to the nearest dollar.*



**XXIII. LONG-TERM CARE  
INSURANCE PREMIUM  
COMPARISON TABLES**

**Annual Premiums for \$100 Daily Benefit  
Comprehensive, Preferred, Tax-Qualified Plan**

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Allianz Life Insurance Company of North America 1-800-814-8841 <a href="http://www.allianzlife.com">www.allianzlife.com</a> Spousal Discount 30% Note: 1,2	<b>A</b>	526	733	1061	1690	2907	4752	1121	1459	1984	2908	4476	6748
	<b>B</b>	697	975	1417	2265	3870	6202	1486	1940	2651	3896	5960	8808
	<b>C</b>	368	513	743	1183	2035	3327	784	1021	1389	2035	3133	4724
	<b>D</b>	488	682	992	1585	2709	4347	1040	1358	1856	2727	4172	6165
American Pioneer Life Insurance Company 1-800-882-1054 <a href="http://www.amerpion.com">www.amerpion.com</a> Spousal Discount 20%	<b>A</b>	433	609	960	1551	2664	4342	910	1156	1708	2606	4210	6426
	<b>B</b>	587	847	1310	2065	3393	5335	1233	1610	2332	3469	5360	7896
	<b>C</b>	606	782	1133	1725	2837	4515	1307	1554	2107	3004	4607	6824
	<b>D</b>	813	1073	1536	2290	3618	5561	1752	2129	2850	3988	5879	8415
Bankers Life and Casualty Company 1-888-282-8252 <a href="http://www.conseco.com">www.conseco.com</a> Spousal Discount 20% Note: 2	<b>A</b>	471	673	1014	1634	2624	4080	1143	1495	2004	2826	4037	5897
	<b>B</b>	744	1049	1555	2465	3846	N/A	1900	2429	3196	4433	6131	N/A
	<b>C</b>	754	1077	1623	2614	4199	6528	1830	2391	3207	4521	6459	9435
	<b>D</b>	1190	1678	2488	3944	6153	N/A	3040	3886	5114	7093	9810	N/A

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**
- C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

- 1. Policies C & D are per insured, including spousal discount.**
- 2. Policies A & C have a 30-day elimination period; B & D have a 90-day elimination period.**

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Blue Cross & Blue Shield of Louisiana 1-800-987-2225 <a href="http://www.lablue.com">www.lablue.com</a> Spousal Discount: 25% Note: 1	<b>A</b>	558	801	1134	1827	3069	4923	1044	1386	1881	2808	4338	6408
	<b>B</b>	801	1089	1593	2601	4266	N/A	1566	2088	2943	4320	6597	N/A
	<b>C</b>	756	1080	1530	2466	4140	6642	1404	1872	2538	3798	5850	8658
	<b>D</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Catholic Order of Foresters 1-800-552-0145 <a href="http://www.catholicforesters.com">www.catholicforesters.com</a> Spousal Discount 15% Note: 2	<b>A</b>	408	545	812	1310	2219	3057	700	886	1260	1865	2840	3504
	<b>B</b>	586	800	1220	1840	2065	3949	1025	1309	1884	2577	3703	4563
	<b>C</b>	680	908	1352	2182	3696	5094	1166	1476	2098	3108	4732	5840
	<b>D</b>	970	1332	2032	3066	4774	6580	1708	2180	3138	4294	6172	7604
Colonial American Life Insurance Company 1-800-872-3044 <a href="http://www.USA-CAL.com">www.USA-CAL.com</a> Spousal Discount 10% on Higher premiums	<b>A</b>	551	637	979	1596	2736	4465	998	1169	1720	2546	3772	5824
	<b>B</b>	901	961	1386	2287	3910	6375	1751	1862	2737	4046	5967	8798
	<b>C</b>	1047	1209	1859	3032	5198	8484	1895	2220	3267	4837	7166	11065
	<b>D</b>	1712	1825	2632	4344	7429	12113	3327	3537	5200	7687	11337	16715

**A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**B - Single Life - Lifetime Benefit Period, 90 or 10- Day Elimination Period**

**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

1. Policies A & C have a 50-day elimination period; policy B has a 100-day elimination period.
2. Policies C & D are premium totals for two insureds.

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Combined Insurance Company of America 1-800-999-2170 <a href="http://www.combined.com">www.combined.com</a> Spousal Discount 20%	<b>A</b>	440	650	740	1190	2050	3450	890	1220	1290	1950	3160	4970
	<b>B</b>	620	900	1240	1950	3350	5570	1250	1680	2160	3200	5160	8070
	<b>C</b>	704	1040	1184	1904	3280	5520	1420	1940	2060	3120	5050	7950
	<b>D</b>	992	1440	1984	3120	5360	8912	2000	2690	3450	5120	8250	12830
Conseco Health Insurance Company 1-800-541-2254 <a href="http://www.conseco.com">www.conseco.com</a> Spousal Discount: 10% Notes: 1	<b>A</b>	456	624	888	1368	2100	3024	1044	1284	1632	2196	3024	3948
	<b>B</b>	600	840	1220	1780	2580	3380	1340	1660	2110	2740	3610	4360
	<b>C</b>	365	499	710	1094	1680	2419	835	1027	1306	1757	2419	3158
	<b>D</b>	480	672	976	1424	2064	2704	1072	1328	1688	2192	2888	3488
Conseco Senior Health Insurance Company 1-800-441-3978 <a href="http://www.conseco.com">www.conseco.com</a> Spousal Discount: 10% Note: 1, 2	<b>A</b>	468	660	972	1500	2304	3228	1068	1368	1776	2412	3336	4236
	<b>B</b>	630	900	1330	1970	2830	3610	1380	1760	2290	3030	3970	4670
	<b>C</b>	374	528	778	1200	1843	2582	854	1094	1421	1930	2669	3389
	<b>D</b>	504	720	1064	1576	2264	2888	1104	1408	1832	2424	3176	3736

**A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

1. Policies A & C are 20-day elimination period; plans B & D are 100-day elimination period.
2. Policies C & D are per married individual applying at the same time.

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Constitution Life Insurance Company 1-800-882-1054 <a href="http://www.uafc.com">www.uafc.com</a> Spousal Discount 20%	<b>A</b>	433	609	960	1551	2664	4342	910	1156	1708	2606	4210	6426
	<b>B</b>	587	847	1310	2065	3393	5335	1233	1610	2332	3469	5360	7896
	<b>C</b>	606	782	1133	1725	2837	4515	1307	1554	2107	3004	4607	6824
	<b>D</b>	813	1073	1536	2290	3618	5561	1752	2129	2850	3988	5879	8415
Continental Casualty Company 1-800-262-0348 <a href="http://www.cna.com">www.cna.com</a> Spousal Discount 20%	<b>A</b>	420	600	850	1300	2180	N/A	820	1100	1500	2170	3310	N/A
	<b>B</b>	626	874	1270	1969	3275	N/A	1297	1711	2346	3386	5161	N/A
	<b>C</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>D</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Continental Life Insurance Company of Brentwood, TN 1-800-264-4000 <a href="http://www.cont-life.com">www.cont-life.com</a> Spousal Discount 10%	<b>A</b>	480	750	1190	1890	3210	5010	1210	1700	2410	3520	5240	7360
	<b>B</b>	610	900	1350	2000	3320	4930	1560	2070	2810	3820	5410	7300
	<b>C</b>	860	1360	2140	3400	5780	9020	2180	3060	4340	6340	9440	13240
	<b>D</b>	1110	1620	2440	3740	5980	8880	2800	3720	5060	6900	9740	13140

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**
- C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
CUNA Mutual Life Insurance Company <a href="http://www.cunamutual.com">www.cunamutual.com</a> Spousal Discount: 10%	<b>A</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>B</b>	630	960	1520	2510	4460	7730	1510	2080	2870	4200	6450	10150
	<b>C</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>D</b>	1134	1728	2736	4518	8028	13914	2718	3744	5166	7560	11610	18270
Equitable Life & Casualty Insurance Company 1-800-352-5150 <a href="http://www.EquiLife.com">www.EquiLife.com</a> Spousal Discount 10%	<b>A</b>	334	389	513	821	1372	2322	534	622	769	1190	1783	2786
	<b>B</b>	492	572	745	1150	1906	3240	788	916	1118	1668	2478	3888
	<b>C</b>	601	700	923	1477	2469	4180	962	1120	1385	2142	3210	5016
	<b>D</b>	886	1030	1341	2070	3431	5832	1418	1649	2012	3002	4461	6998
Great American Life Insurance Company 1-800-771-2142 <a href="http://www.gafri.com">www.gafri.com</a> Spousal Discount: 15%	<b>A</b>	557	778	1123	1728	3014	4829	1108	1493	2067	2955	4612	6712
	<b>B</b>	797	1112	1569	2382	4142	6574	1586	2135	2886	4073	6337	9137
	<b>C</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>D</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**
- C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

**Annual Premiums for \$100 Daily Benefit  
Comprehensive, Preferred, Tax-Qualified Plan**

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Guarantee Trust Life Insurance Company 1-800-323-6907 <a href="http://www.gtlic.com">www.gtlic.com</a> Spousal Discount 10%	<b>A</b>	577	736	1016	1625	2688	4748	1229	1501	1869	2688	4060	6552
	<b>B</b>	755	931	1254	1964	3190	N/A	1608	1899	2307	3260	4817	N/A
	<b>C</b>	1039	1325	1829	2925	4840	8546	2213	2703	3365	4856	7308	11793
	<b>D</b>	1359	1676	2257	3535	5742	N/A	2895	3419	4153	5868	8620	N/A
Kanawha Insurance Company 1-800-635-4252 <a href="http://www.kanawha.com">www.kanawha.com</a> Spousal Discount 10% Note: 1	<b>A</b>	353	539	923	1688	3211	4979	653	994	1617	2741	4702	6760
	<b>B</b>	543	769	1161	1942	3505	4459	1004	1417	2034	3153	5132	6053
	<b>C</b>	636	970	1661	3039	5780	8962	1176	1790	2910	4934	8463	12167
	<b>D</b>	977	1383	2089	3995	6309	8026	1807	2551	3662	5675	9237	10896
Knights of Columbus 1-800-214-9825 <a href="http://www.kofc.org">www.kofc.org</a> Spousal Discount 15% Note: 2	<b>A</b>	520	701	1042	1679	3079	4427	1322	1585	2061	2925	4753	6146
	<b>B</b>	782	1060	1582	2560	3918	5648	2015	2420	3154	4482	6071	7857
	<b>C</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>D</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**
- C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

- 1. At age 80 and above the maximum benefit period is two years.**
- 2. Policies purchased without the inflation rider have a guaranteed purchase option built-in.**



## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Life Investors Insurance Company of America 1-800-325-5823 <a href="http://www.lifeinvestors.com">www.lifeinvestors.com</a> Spousal Discount 10%	<b>A</b>	390	590	980	1590	2570	4750	850	1230	1930	2820	4090	6790
	<b>B</b>	570	850	1400	2230	3590	6640	1230	1770	2760	3990	5710	9510
	<b>C</b>	351	531	882	1431	2313	4275	765	1107	1737	2538	3681	6111
	<b>D</b>	513	765	1260	2007	3231	5976	1107	1593	2484	3591	5139	6759
Lincoln Benefit Life Company 1-888-503-8110 <a href="http://www.Allstate.com">www.Allstate.com</a> Spousal Discount up to 50%	<b>A</b>	416	624	970	1663	2703	4782	873	998	1455	2328	3514	5977
	<b>B</b>	540	810	1260	2160	3514	6210	1134	1296	1890	3024	4563	7762
	<b>C</b>	624	936	1455	2495	4054	7173	1310	1497	2183	3493	5270	8966
	<b>D</b>	810	1215	1890	3240	5265	9315	1701	1944	2835	4536	6844	11644
Massachusetts Mutual Life Insurance Company 1-888-505-8952 <a href="http://www.Massmutual.com">www.Massmutual.com</a> Spousal Discount up to 50%	<b>A</b>	413	562	825	1375	2392	4306	867	1068	1485	2338	3827	6458
	<b>B</b>	552	752	1104	1840	3200	5760	1159	1429	1987	3128	5120	8640
	<b>C</b>	619	843	1238	2013	3588	6458	12100	1602	2228	3507	5741	9688
	<b>D</b>	828	1128	1656	2760	4800	8640	1739	2143	2981	4592	7680	12960

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**  
**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Medico Life Insurance Company 1-800-228-6080 <a href="http://www.mutprot.com">www.mutprot.com</a> Spousal Discount 20%	<b>A</b>	300	440	690	1130	1970	3170	650	830	1230	1900	3110	4690
	<b>B</b>	370	550	890	1450	2470	3920	790	1050	1580	2440	3900	5800
	<b>C</b>	480	704	1104	1808	3152	5072	1040	1328	1968	3040	4976	7504
	<b>D</b>	592	880	1424	2320	3952	6272	1264	1680	2528	3904	6240	9280
Mega Life and Health Insurance Company 1-888-797-7464 <a href="http://www.uici.net">www.uici.net</a> Spousal Discount 20%	<b>A</b>	566	778	1120	1751	2866	N/A	1397	1714	2151	2934	4377	N/A
	<b>B</b>	769	1040	1480	2290	3724	N/A	2151	2597	3206	4309	6332	N/A
	<b>C</b>	453	622	896	1401	2293	N/A	1117	1372	1721	2347	3502	N/A
	<b>D</b>	616	832	1184	1832	2979	N/A	1721	2078	2565	3447	5066	N/A
Metropolitan Life Insurance Company 1-800-308-0179 <a href="http://www.metlife.com">www.metlife.com</a> Spousal Discount 20% Note: 1	<b>A</b>	329	441	693	1188	2162	3788	735	932	1296	1950	3178	5048
	<b>B</b>	468	628	988	1693	3081	N/A	1048	1329	1848	2780	4530	N/A
	<b>C</b>	271	363	571	978	1980	3119	605	768	1067	1606	2617	4157
	<b>D</b>	386	517	813	1394	2538	N/A	863	1095	1522	2289	3730	N/A

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**  
**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

- 1. Lifetime benefits are not available for ages 79 and above.**

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Midwest National Life Insurance Company of TN 1-888-797-7464 <a href="http://www.uci.net">www.uci.net</a> Spousal Discount 10% Note: 1	<b>A</b>	510	702	1022	1609	2661	N/A	1345	1644	2096	2881	4284	N/A
	<b>B</b>	734	998	1443	2276	3757	N/A	2155	2588	3267	4451	6584	N/A
	<b>C</b>	459	632	920	1448	2395	N/A	1210	1479	1887	2593	3856	N/A
	<b>D</b>	661	898	1298	2048	3381	N/A	1939	2330	2941	4006	5926	N/A
Monumental Life Insurance Company 1-866-482-9045 <a href="http://www.monlife.com">www.monlife.com</a> Spousal Discount 10%	<b>A</b>	420	620	1060	1690	2740	5060	910	1310	2060	3010	4350	7240
	<b>B</b>	580	870	1440	2300	3700	6840	1270	1820	2840	4100	5880	9780
	<b>C</b>	756	1314	1908	3429	5895	9108	1638	2358	3708	5418	7830	13032
	<b>D</b>	1044	1566	2592	4140	6600	12312	2286	3276	5112	7380	10584	17604
Mutual of Omaha Insurance Company 1-800-775-6000 <a href="http://www.mutualofomaha.com">www.mutualofomaha.com</a> Spousal Discount 10%	<b>A</b>	470	686	1073	1769	2898	N/A	997	1318	1867	2742	4057	N/A
	<b>B</b>	621	898	1406	2265	3687	5702	1317	1724	2446	3512	5162	7299
	<b>C</b>	423	618	966	1592	2608	N/A	898	1186	1680	2467	3651	N/A
	<b>D</b>	559	808	1265	2039	3318	5132	1185	1551	2202	3160	4646	6569

**A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

1. Policies A & C use a \$100,000 benefit pool for the three-year benefit period.

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Mutual Protective Insurance Company 1-800-228-6080 <a href="http://www.mutprot.com">www.mutprot.com</a> Spousal Discount 20%	<b>A</b>	300	440	690	1130	1970	3170	650	830	1230	1900	3110	4690
	<b>B</b>	370	550	890	1450	2470	3920	790	1050	1580	2440	3900	5800
	<b>C</b>	480	704	1104	1808	3152	5072	1040	1328	1968	3040	4976	7504
	<b>D</b>	592	880	1424	2320	3952	6272	1264	1680	2528	3904	6240	9280
National States Insurance Company 1-800-868-6788 No website	<b>A</b>	520	730	960	1490	2440	4190	960	1250	1530	2190	3300	5250
	<b>B</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	<b>C</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	<b>D</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
New York Life Insurance Company <a href="http://www.newyorklifeltc.com">www.newyorklifeltc.com</a> Spousal Discount 15%	<b>A</b>	740	1020	1509	2303	3985	6522	2083	2521	3235	4303	6489	9529
	<b>B</b>	873	1188	1734	2616	4517	7352	2550	3052	3870	5113	7697	11182
	<b>C</b>	629	867	1282	1958	3387	5544	1770	2143	2749	3657	5515	8100
	<b>D</b>	742	1009	1474	2224	3839	6249	2167	2594	3290	4346	6542	9504

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**
- C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**
- D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Northwestern Long Term Care Insurance Company <a href="http://www.nmfn.com">www.nmfn.com</a> Spousal Discount: 15%	<b>A</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>B</b>	862	1156	1607	2629	4341	N/A	1002	1342	1866	3054	5043	N/A
	<b>C</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>D</b>	733	983	1366	2235	3690	N/A	852	1141	1586	2596	4287	N/A
Penn Treaty Network America Insurance Company <a href="http://www.penn treaty.com">www.penn treaty.com</a> Spousal Discount 10% Note: 1	<b>A</b>	627	798	1147	1825	3087	5264	1120	1427	1997	2966	4562	6922
	<b>B</b>	774	974	1409	2223	3743	5954	1417	1782	2511	3691	5630	7931
	<b>C</b>	564	718	1032	1642	2778	4738	1008	1284	1798	2670	4106	6230
	<b>D</b>	697	876	1268	2001	3369	5359	1275	1604	2260	3322	5067	7138
Pennsylvania Life Insurance Company 1-800-275-7366 <a href="http://www.pennlife.com">www.pennlife.com</a> Spousal Discount 10% Note: 2	<b>A</b>	565	755	1295	2226	3648	6302	1147	1427	2214	3450	5180	8571
	<b>B</b>	631	834	1388	2349	3841	6643	1281	1576	2373	3641	5454	9034
	<b>C</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	<b>D</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**  
**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

1. Policies A & C are for a four-year benefit period.
2. Policy A - \$150,000 coverage amount, 20-day elimination period; Policy B—unlimited coverage, 90-day elimination period.

**Annual Premiums for \$100 Daily Benefit**  
**Comprehensive, Preferred, Tax-Qualified Plan**

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Physicians Mutual Insurance Company 1-800-228-9100 <a href="http://www.physiciansmutual.com">www.physiciansmutual.com</a> Spousal Discount 20%	<b>A</b>	431	592	857	1424	2515	4042	858	1154	1611	2520	4025	5780
	<b>B</b>	583	766	1074	1833	3184	4974	1160	1494	2020	3244	5094	7113
	<b>C</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	<b>D</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Pyramid Life Insurance Company 1-800-777-1126 <a href="http://www.pyramidlife.com">www.pyramidlife.com</a> Spousal Discount: 50% Note: 1	<b>A</b>	404	544	747	1020	1618	3068	492	664	912	1245	1973	3743
	<b>B</b>	725	994	1369	1851	2917	4277	913	1253	1724	2332	3675	5303
	<b>C</b>	606	817	1121	1530	2426	4602	739	996	1368	1867	2960	5614
	<b>D</b>	1087	1492	2053	2776	4375	6415	1370	1880	2587	3498	5512	7954
Southern Farm Bureau Life Insurance Company <a href="http://www.sfbli.com">www.sfbli.com</a> Spousal Discount: 15%	<b>A</b>	510	800	1250	2090	3670	6470	1160	1640	2280	3410	5200	8320
	<b>B</b>	590	880	1330	2200	3820	6650	1280	1750	2400	3540	5370	8510
	<b>C</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>D</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**  
**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

- 1. Policies A & C are for two-year benefit period, zero-day elimination period.**

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
State Farm Mutual Automobile Insurance Company <a href="http://www.statefarm.com">www.statefarm.com</a> Spousal Discount: 20%	<b>A</b>	497	702	1001	1784	2933	5234	1065	1368	1801	2800	4326	6962
	<b>B</b>	779	1109	1598	2740	4569	7819	1632	2137	2875	4411	6879	10549
	<b>C</b>	796	1124	1602	2854	4692	8374	1704	2190	2882	4480	6920	11138
	<b>D</b>	1246	1774	2556	4384	7310	12510	2810	3418	4600	7058	10686	16878
State Life Insurance Company 1-888-505-8101 <a href="http://www.statelife.com">www.statelife.com</a> Spousal Discount up to 50%	<b>A</b>	352	452	854	1457	2311	4320	703	791	1281	2112	3235	5832
	<b>B</b>	470	605	1142	1949	3091	5779	941	1058	1714	2826	4328	7802
	<b>C</b>	527	678	1281	2185	3466	6480	1055	1187	1921	3168	4852	8748
	<b>D</b>	706	907	1714	2923	4637	8669	1411	1582	2570	4239	6492	11703
Transamerica Occidental Life Insurance Company 1-800-690-2758 <a href="http://www.transamerica.com">www.transamerica.com</a> Spousal Discount 10%	<b>A</b>	477	668	935	1440	2366	3806	887	1192	1631	2366	3692	5724
	<b>B</b>	604	903	1258	1962	3246	5092	1159	1673	2285	3362	5266	7982
	<b>C</b>	424	569	831	1215	2103	3115	789	1021	1450	2000	3282	4684
	<b>D</b>	537	775	1119	1659	2885	4126	1030	1487	2031	2788	4681	7095

- A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**  
**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**  
**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
United Teacher Associates Insurance Company 1-800-880-8824 <a href="http://www.utaic.com">www.utaic.com</a> Spousal Discount: 10%	<b>A</b>	220	340	560	950	1570	2220	590	823	1254	1967	2936	3730
	<b>B</b>	290	440	730	1220	1970	N/A	777	1065	1635	2525	3684	N/A
	<b>C</b>	198	306	504	855	1413	1998	531	741	1129	1770	2624	3850
	<b>D</b>	261	396	657	1098	1773	N/A	699	959	1472	2273	3316	N/A
UNUM Life Insurance Company of America 1-800-940-2038 <a href="http://www.unumprovident.com">www.unumprovident.com</a> Spousal Discount up to 30%	<b>A</b>	263	400	651	1053	1849	2959	553	748	1114	1633	2644	3907
	<b>B</b>	406	602	948	1514	2601	4113	854	1126	1620	2347	3720	5429
	<b>C</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>D</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
West Coast Life Insurance Company 1-800-366-9378 <a href="http://www.westcoastlife.com">www.westcoastlife.com</a> Spousal Discount 10% Note: 1	<b>A</b>	403	594	907	1512	2554	4480	681	973	1406	2177	3010	5600
	<b>B</b>	630	1150	1410	2370	3980	7030	1065	1509	2185	2370	3980	8787
	<b>C</b>	323	475	648	1210	2043	4136	545	695	1125	1242	3371	4000
	<b>D</b>	504	736	1128	1896	3184	5624	852	1222	1748	2730	5254	7030

**A - Single Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**C - Joint Life - Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

- 1. Policies C & D reflect a 20% discount and are per-person premiums.**



## Annual Premiums for \$100 Daily Benefit Comprehensive, Preferred, Tax-Qualified Plan

Company Name/ Info	Policy	Purchase Age Without Inflation						Purchase Age with 5% Compound Inflation					
		55	60	65	70	75	80	55	60	65	70	75	80
Woodmen of the World Life Insurance Company 1-800-225-3108 <a href="http://www.woodmen.com">www.woodmen.com</a> Spousal Discount 20% Note: 1	<b>A</b>	548	777	1085	1672	2498	3597	1089	1413	1854	2546	3449	4650
	<b>B</b>	699	1019	1457	2274	3362	4817	1482	1957	2569	3517	4628	6018
	<b>C</b>	877	1243	1736	2675	3997	5755	1742	2261	2967	4073	5519	7440
	<b>D</b>	1118	1631	2331	3639	5378	7707	2371	3131	4111	5627	7405	9629

**A - Single Life – Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**B - Single Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**C - Joint Life – Three-Year Benefit Period, 20 or 30-Day Elimination Period**

**D - Joint Life - Lifetime Benefit Period, 90 or 100-Day Elimination Period**

**Notes:**

1. Policies C & D premiums are for two policies, one to each spouse.

## XXIV.LONG-TERM CARE INSURERS COMPANY INFORMATION

Company Name	A.M. Best Rating	Telephone	Address
AIG Life Insurance Company*	A++		P O Box 667 Wilmington, DE 19899
Allianz Life Insurance Company of North America	A++	1-800-814-8841	P O Box 1292 Minneapolis, MN 55440-1292
American Family Life Assurance Company*	A+		1932 Wynnton Road Columbus, GA 31999
American Fidelity Assurance Company*	A+		P O Box 25523 Oklahoma City, OK 73125
American General Life & Accident Insurance*	A+		American General Center-mail Code 2340 Nashville, TN 37250
American General Life Insurance Company*	A+		P O Box 1931 Houston, TX 77251
American Network Insurance Company*	B-		3440 Lehigh Street Allentown, PA 18103
American Pioneer Life Insurance Company	B++	1-800-882-1054	600 Courtland Street Orlando, FL 32802
American Progressive L&H of New York*	B++		600 Courtland Street Orlando, FL 32804
Bankers Life & Casualty Company	A-	1-800-282-8252	222 Merchandise Mart Plaza Chicago, Illinois 60654-2001
Bankers United Life Assurance Company*	NR-5		4333 Edgewood Road NE Cedar Rapids, IA 52499
Blue Cross/Blue Shield of LA d.b.a. Louisiana Health Service & Indemnity Company	NR-5	1-800-987-2225	P O Box 98029 Baton Rouge, LA 70898-9029
Catholic Order of Foresters	A-	1-800-552-0145	355 Shuman Blvd. Naperville, IL 60566
Central States Health & Life of Omaha*	A-		P O Box 34350 Omaha, NE 68134
Colonial American Life Insurance Company	B+	1-800 872-3044	673 Cherry Lane Souderton, PA 18964
Combined Insurance Company of America	A u	1-800-999-2170	1000 N. Milwaukee Ave., 5 <sup>th</sup> Floor Glenview, IL 60025

Conseco Health Insurance Company	A-	1-800-541-2254	11815 N. Pennsylvania St. Carmel, IN 46032
Conseco Senior Health Insurance Company	A-	1-800-441-3978	11815 N. Pennsylvania St. Carmel, IN 46032
Constitution Life Insurance Company	B++	1-800-882-1054	600 Courtland St. Orlando, FL 32804
Continental Casualty Company	A	1-800-262-0348	CNA PLAZA Chicago, IL 60685
Continental General Insurance Company	B+	1-800-264-4000	8901 Indian Hills Drive Omaha, NE 68114
Continental Life Insurance of Brentwood, TN	B++	1-800-264-4000	101 Continental Place Brentwood, TN 37027
CUNA Mutual Life Insurance Company	A		2000 Heritage Way Waverly, IA 50677
Employers Reinsurance Corporation*	A++		5200 Metcalf Overland Park, KS 66201
Equitable Life & Casualty Insurance	B++	1-800-352-5150	3 Triad Center, Suite 200 Salt Lake City, UT 84180
Farris Insurance Company*	A-		P O Box 3050 Milwaukee, WI 53201-3050
First Penn-Pacific Life Insurance Company*	A		10 N. Martingale Road Schaumburg, IL 60173
Fortis Benefits Insurance Company*	A		P O Box 64271 St Paul, MN 55164
General American Life Insurance Company*	A+		P O Box 14490 St Louis, MO 63178
General Electric Capitol Assurance Company*	A+		6604 W Broad Street Richmond, VA 23230
Great American Life Insurance Company	A	1-800-771-2142	P O Box 26580 Austin, TX 78755-0580
Guarantee Trust Life Insurance Company	A-	1-800-323-6907	1275 Milwaukee Ave Glenview, IL 60025
Guaranty Income Life Insurance Company	B++	1-800-535-8110	929 Government St. Baton Rouge, LA 70802
Hartford Life Insurance Company*	A+		P O Box 2999 Hartford, CT 06104-2999

IDS Life Insurance Company*	A+		IDS Tower 10 Minneapolis, MN 55440
John Hancock Mutual Life Insurance Company*	A++		P O Box 111 Boston, MA 02117
Kanawha Insurance Company	A	1-800-635-4252	P O Box 610 Lancaster, SC 29721-0610
Knights of Columbus	A++	1-800-214-9825	1 Columbus Plaza New Haven, CT 06510
Lafayette Life Insurance Company*	A		P O Box 7007 Lafayette, IN 47903-7007
Life Insurance Company of Georgia*	A+		P O Box 105006 Atlanta, GA 30348-9914
Life Investors Insurance Company of America	A+	1-800-325-5823	P.O. Box 93007 Hurst, TX 76053-3007
Lincoln Benefit Life Company	A+	1-888-503-8110	P O Box 4243 Woodland Hills, CA 91365-4243
Marquette National Life Insurance Company*	NR-3		P O Box 2465 Houston, TX 77252
Massachusetts Mutual Life Insurance	A++	1-888-505-8952	P.O. Box 4243 Woodland Hills, CA. 91365-4243
Medico Life Insurance Company	B	1-800-228-6080	1515 S. 75th Street Omaha, NE 68124
Mega Life & Health Insurance Company	A	1-888-797-7464	9290 Dodge St., STE 203 Omaha, NE 68114
Metropolitan Life Insurance Company	A+	1-800-308-0179	P O Box 937 Westport, CT 06881-0937
Mid West National Life Insurance of Tennessee	A-	1-888-797-7464	P O Box 13427 Pensacola, FL 32591-3427
Monumental Life Insurance Company	A+	1-866-482-9045	P.O Box 95308 Hurst, TX 76053
Mutual of Omaha Insurance Company	A	1-800-775-6000	Mutual of Omaha Plaza Omaha, NE 68175
Mutual Protective Insurance Company	B	1-800-228-6080	1515 S 75 <sup>th</sup> St Omaha, NE 68124
National States Insurance Company	B+	1-800-868-6788	1830 Craig Park Court St Louis, MO 63146

New England Variable Life Insurance*	A+		501 Boylston St Boston, MA 02117
New York Life Insurance & Annuity Corporation*	A++		51 Madison Ave New York, NY 10010
New York Life Insurance Company	A++	1-800-224-4582	P.O. Box 559005 Austin, TX 78755-9005
Northwestern Long-Term Care Insurance Company	A++		720 East Wisconsin Ave Milwaukee, WI 53202
Penn Treaty Network America Insurance Company	B-	1-800-222-3469	3440 Lehigh Street Allentown, PA 18103
Pennsylvania Life Insurance Company	B++	1-800-275-7366	600 Courtland St. Orlando, FL 32804
Peoples Benefit Life Insurance Company*	A+		4333 Edgewood Rd., NE Cedar Rapids, IA 52499
Physicians Mutual Insurance Company	A	1-800-228-9100	2600 Dodge Omaha, NE 68131
Prudential Insurance Company of America*	A		P O Box 4579 Jacksonville, FL 32231
Pyramid Life Insurance Company	B+	1-800-777-1126	6201 Johnson Dr Shawnee Mission, KS 66202
Southern Farm Bureau Life Insurance	A+		P O Box 95005 Baton Rouge, LA 70895-9005
Southwestern Life Insurance Company*	B++		P O Box 2699 Dallas, TX 75221
State Farm Mutual Automobile Insurance Company	A++	Contact local agent	One State Farm Plaza Bloomington, IL 61710
State Life Insurance Company	A	1-888-505-8101	P O Box 4243 Woodland Hills, CA 91365-4243
Sterling Life Insurance Company*	NR-2		5050 N Broadway Chicago, IL 60640
Transamerica Occidental Life Insurance Company	A+	1-800-690-2758	2705 Brown Trail Bedford, TX 76021
Union Labor Life Insurance Company*	B+		111 Massachusetts Ave NW Washington, DC 20001
United Teacher Associates Insurance Company	A-	1-800-880-8824	5508 Parkcrest Drive Austin, TX 78731

UNUM Life Insurance Company of America	A	1-800-940-2038	2211 Congress St Portland, ME 04122
West Coast Life Insurance Company	A+	1-800-366-9378	343 Sansome San Francisco, CA 94104
Western Reserve Life Assurance OH*	A+		P O Box 5068 Clearwater, FL 34618-5068
Woodmen of the World Life Insurance	A+	1-800-225-3108	1700 Farnam ST Omaha, NE 68102

\* **Company has chosen not to submit data.**

## XXV. Definitions of Best's Ratings and Not Rated Categories (NR)

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### Secure Best's Ratings

#### **A++ and A+ (Superior)**

Assigned to companies which have, on balance, superior balance sheet strength, operating performance and business profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, have a very strong ability to meet their ongoing obligations to policyholders.

*"Rating Modifiers and Affiliation Codes" explained below.*

#### **A and A- (Excellent)**

Assigned to companies which have, on balance, excellent balance sheet strength, operating performance and business profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, have a strong ability to meet their ongoing obligations to policyholders.

*"Rating Modifiers and Affiliation Codes" explained below.*

#### **B++ and B+ (Very Good)**

Assigned to companies which have, on balance, very good balance sheet strength, operating performance and business profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, have a good ability to meet their ongoing obligations to policyholders.

*"Rating Modifiers and Affiliation Codes" explained below.*

### Vulnerable Best's Ratings

#### **B and B- (Fair)**

Assigned to companies which have, on balance, fair balance sheet strength, operating performance and business profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, have an ability to meet their current obligations to policyholders, but their financial strength is vulnerable to adverse

changes in underwriting and economic conditions.  
*"Rating Modifiers and Affiliation Codes" explained below.*

### **C++ and C+ (Marginal)**

Assigned to companies which have, on balance, marginal balance sheet strength, operating performance and business profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, have an ability to meet their current obligations to policyholders, but their financial strength is vulnerable to adverse changes in underwriting and economic conditions.  
*"Rating Modifiers and Affiliation Codes" explained below.*

### **C and C- (Weak)**

Assigned to companies which have, on balance, weak balance sheet strength, operating performance and business profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, have an ability to meet their current obligations to policyholders, but their financial strength is very vulnerable to adverse changes in underwriting and economic conditions.  
*"Rating Modifiers and Affiliation Codes" explained below.*

### **D (Poor)**

Assigned to companies which have, on balance, poor balance sheet strength, operating performance and business profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, may not have an ability to meet their current obligations to policyholders and their financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.  
*"Rating Modifiers and Affiliation Codes" explained below.*

### **E (Under Regulatory Supervision)**

Assigned to companies and (possibly their subsidiaries/affiliates) that have been placed by an insurance regulatory authority under a significant form of supervision, control or restraint, whereby they are no longer allowed to conduct normal ongoing insurance operations. This would include conservatorship or rehabilitation, but does not include liquidation. It may also be assigned to companies issued cease and desist orders by regulators outside their home state or country.  
*"Rating Modifiers and Affiliation Codes" explained below.*

### **F (In Liquidation)**

Assigned to companies which have been placed under an order of liquidation by a court of law or whose owners have voluntarily agreed to liquidate the company.  
*"Rating Modifiers and Affiliation Codes" explained below.*

## **Not Rated Categories (NR)**

### **NR-1 (Insufficient Data)**

Assigned predominantly to small companies for which A.M. Best does not have sufficient financial information required to assign a rating opinion. The information

contained in these limited reports is obtained from several sources, which include the individual companies and the National Association of Insurance Commissioners (NAIC). The data received from the NAIC, in some cases, is prior to the completion of their cross checking and validation process.

**NR-2 (Insufficient Size and/or Operating Experience)**

Assigned to companies that do not meet A.M. Best's minimum size and/or operating experience requirements.

**NR-3 (Rating Procedure Inapplicable)**

Assigned to companies that are not rated by A.M. Best, because our normal rating procedures do not apply due to their unique or unusual business features.

**NR-4 (Company Request)**

Assigned to companies that request that their rating not be published.

**NR-5 (Not Formally Followed)**

Assigned to companies that are not formally evaluated for the purposes of assigning a rating opinion.

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**Rating Modifiers and Affiliation Codes**

Under Review (u) **Rating Modifiers** are assigned to Best's Ratings and Financial Performance Ratings to identify companies whose rating opinions are Under Review and may be subject to near-term change. Qualified (q) Rating Modifiers may be assigned to Health Maintenance Organizations (HMO's) and Canadian insurers that do not subscribe to our interactive rating process. Best's Qualified Ratings are therefore based primarily on a quantitative analysis of a company's balance sheet strength and operating performance. Best's Public Data (pd) Rating Modifiers may be assigned to UK and other European insurers that do not subscribe to our interactive rating process. Best's Public Data Ratings reflect both qualitative and quantitative analysis using publicly available data and other public information. Syndicate (s) Rating Modifiers are assigned to syndicates operating at Lloyd's. **Affiliation Codes** are based on a Group (g), Pooling (p) or Reinsurance (r) affiliation with other insurers.

**Rating Modifiers**

- u** - Under Review
- q** - Qualified
- s** - Syndicate
- pd** - Public Data

**Affiliation Codes**

- g** - Group
- p** - Pooled
- r** - Reinsured