

What Is Long-Term Care?

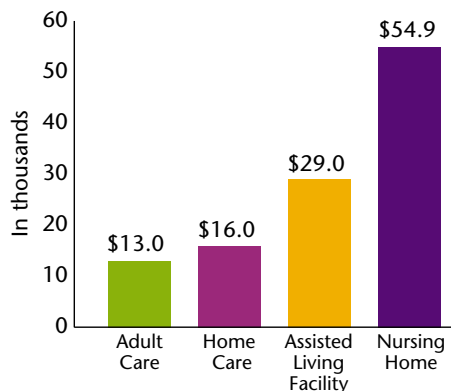
Long-Term Care (LTC) is what an individual needs when he or she requires regular assistance with day-to-day functions like bathing, eating and/or dressing or supervision due to cognitive impairment. LTC insurance helps pay for care at home, in an adult day care center, assisted living facility, nursing home or hospice — it's your choice.



Why Long-Term Care Insurance?

With today's enhanced longevity, a growing number of Americans "live, get sick, progressively lose function, and then die."* When this happens, we not only lose the freedom to care for ourselves, we may be forced to completely deplete a lifetime of savings unless specific LTC insurance is part of our personal financial plan for protection of assets when we grow older.

LTC Costs Can Be Devastating
National Average Costs (annual)



Source: GE LTC Survey, 3/02; American Council of Life Insurers, 4/00

*Aetna Chairman & CEO and gerontologist Dr. John W. Rowe, author of *Successful Aging*.

Where Will the Money Come From?

Long-Term Care is:

- NOT covered by your medical program.
- NOT covered by disability insurance.
- NOT covered by Medicare to any substantial degree.
- NOT covered by Medicaid unless one's assets have been reduced to the poverty level.

Did you know that an accident or illness can cause you or a family member to need long-term care at any age?

Top Ten Conditions Requiring Long-Term Care

Source: Aetna, LTC Claim History 1/02

1. Alzheimer's disease, related dementia
2. Cancer
3. Stroke
4. Parkinson's disease, other neurological conditions
5. Arthritis
6. Heart attack
7. Other injuries (fractures)
8. Emphysema, other respiratory diseases
9. Diabetes
10. Mental, nervous, other Alzheimer's related conditions

State of Maine

Aetna Group Long Term Care Insurance Benefits Summary – Service Reimbursement Plan

The State of Maine is sponsoring a long-term care insurance plan underwritten by one of the top four group carriers, Aetna Life Insurance Company.

The chart below outlines some of this Service Reimbursement plan's benefits and features. For detailed information please visit www.aetna.com/group/stateofmaine

Who's Eligible	All actively at work employees. An employee is eligible for Long Term Care as long as they are eligible to participate in the State of Maine group health plan as an employee. Employees who enroll must be actively at work on the effective date of the plan before coverage is effective. Also eligible to participate are spouses (domestic partners included), parents, parents-in-law, grandparents and grandparents-in-law and all are required to complete a medical questionnaire and be approved by Aetna before coverage is effective. Adult children of employees/retirees as well as retirees, their spouses (domestic partners included) and surviving spouses are also eligible.
Enrollment Period Guidelines	<ul style="list-style-type: none"> ➤ New Hires may enroll within 60 days of hire without proof of good health. ➤ Employees who are late applicants (employees who are no longer new hires or not enrolling during a specially designated, non-underwritten enrollment period) may enroll <u>anytime</u> and will be required to complete a medical questionnaire and must be approved by Aetna. ➤ Spouses/Domestic Partners of Employees may enroll <u>anytime</u> and will be required to complete a medical questionnaire and must be approved by Aetna. ➤ Adult Children of employees/retirees, parents and parents in-law, grandparents and grandparents-in-law, as well as retirees, their spouses/domestic partners and surviving spouses may enroll at <u>anytime</u> and will be required to complete a medical questionnaire and must be approved by Aetna.
Spousal Discount	There is a 10% discount in premiums if both the employee/retiree and spouse (domestic partners included) enroll.
Rates and Method of Payment	Employees receive payroll deductions for themselves and their spouses. All others are billed directly by Aetna.
Amount of Coverage Per Day = Daily Benefit Amount (DBA)	You choose a Daily Benefit Amount (DBA) of \$100, \$150, \$200, \$250, \$300, or \$350. The plan will reimburse you for expenses incurred up to a certain percentage of your DBA (see Expenses Covered). The DBA is the maximum amount of coverage your plan could provide you each day.
How You Qualify for Claim (Receive Benefits)	You qualify for claim if a licensed health care practitioner annually certifies that you are unable to perform at least two of six activities of daily living: bathing, dressing, eating, transferring, toileting, continence (for at least 90 days) or have a severe cognitive impairment (like Alzheimer's). You must also submit a claim form. Aetna decides when a qualifying loss of functional capacity occurs and may consider information from the covered person, his or her attending physician and other health care providers.
Single Waiting (Deductible) Period of 90 Days	In order to receive benefits, only one consecutive 90-day waiting (deductible) period needs to be met, regardless of how often and for what reason you qualify for claim. The waiting period helps keep plan rates affordable.
Premiums Waived When in Claim	After the 90-day waiting period, premiums are waived. You pay no premiums while you receive benefits.
Restoration of Benefits	Your total Lifetime Maximum Benefit is restored to its original value when you recover and resume premium payments.
Your Choice of Inflation Protection Increase features. You may select one of the two Inflation Protection Increase features available to the plan: Voluntary Increase or Automatic Increase	<p>Your Choice of Inflation Protection Increase features:</p> <p>(Voluntary Increase) You may increase your coverage every 2 years without proof of good health to help keep pace with the rising cost of long-term care. You may increase your coverage through this feature even if you are in claim, as long as you have not turned down a previous offer.</p> <p>(Automatic Increase) Your coverage will automatically be increased every year without proof of good health to help keep pace with the rising cost of long-term care. Your coverage will be increased through this feature even if you are in claim.</p>

State of Maine

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30 Day Free Look	Your premiums will be refunded if you cancel your plan within 30 days of receiving your Certificate of Coverage booklet.																								
Expenses Covered	<p>The plan will reimburse you for bills submitted for covered expenses up to a percentage of your Daily Benefit Amount (DBA).</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Nursing Home or Hospice Facility Care:</td> <td>Actual Expenses up to 100% of DBA.</td> </tr> <tr> <td>Assisted Living Facility Care:</td> <td>Actual Expenses up to 60% of DBA.</td> </tr> <tr> <td>Adult Day Care:</td> <td>Actual Expenses up to 60% of DBA.</td> </tr> <tr> <td>Hospice Care:</td> <td>Actual Expenses up to 60% of DBA.</td> </tr> <tr> <td>Home Health Care:</td> <td>Actual Expenses up to 60% of DBA.</td> </tr> <tr> <td>Community Based Care:</td> <td>Actual Expenses up to 60% of DBA.</td> </tr> <tr> <td>Alternate Care:</td> <td>Actual Expenses up to 60% of DBA.</td> </tr> <tr> <td>Bed Reservation:</td> <td>100% of your DBA for 21 days per calendar year to hold the bed in a nursing facility.</td> </tr> </table> <p>Additional benefits that <u>do not</u> deduct from the Lifetime Maximum:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Transitional Care:</td> <td>One time payment equal to 3 times your DBA.</td> </tr> <tr> <td>Informal Care:</td> <td>25% of your DBA for up to 50 days per calendar year.</td> </tr> <tr> <td>Informal Care Giver Training:</td> <td>One payment per claim equal to cost of training up to 3 times your DBA.</td> </tr> <tr> <td>Respite Care:</td> <td>60% of your DBA for up to 21 days per calendar year.</td> </tr> </table>	Nursing Home or Hospice Facility Care:	Actual Expenses up to 100% of DBA.	Assisted Living Facility Care:	Actual Expenses up to 60% of DBA.	Adult Day Care:	Actual Expenses up to 60% of DBA.	Hospice Care:	Actual Expenses up to 60% of DBA.	Home Health Care:	Actual Expenses up to 60% of DBA.	Community Based Care:	Actual Expenses up to 60% of DBA.	Alternate Care:	Actual Expenses up to 60% of DBA.	Bed Reservation:	100% of your DBA for 21 days per calendar year to hold the bed in a nursing facility.	Transitional Care:	One time payment equal to 3 times your DBA.	Informal Care:	25% of your DBA for up to 50 days per calendar year.	Informal Care Giver Training:	One payment per claim equal to cost of training up to 3 times your DBA.	Respite Care:	60% of your DBA for up to 21 days per calendar year.
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(Choice of Total Coverage) Total Coverage for Life of Plan = Lifetime Maximum Benefit Amount	<p>You may select a 3 or 5 year Lifetime Maximum Benefit. Your Lifetime Maximum Benefit is determined by multiplying the number of days in 3 or 5 years by your Daily Benefit Amount (DBA). To determine the <i>total amount</i> of money that your coverage provides; i.e. "Lifetime Maximum Benefit":</p> <ol style="list-style-type: none"> 1. Multiply the DBA you select by 365 (days in a year) 2. Multiply that result by the number of years your plan is based on (3 or 5 years). <p>Based on when and where you receive care, your Lifetime Maximum Benefit could be paid out in a minimum of 3 or 5 years or in a <i>much longer</i> period of time.</p> <p><i>Example on Calculating the Lifetime Maximum Benefit:</i> DBA = \$100 Lifetime Maximum Benefit is based on 5 years. Therefore, your total lifetime Maximum Benefit is: $\\$100 \times 365 = \\$36,500 \times 5 \text{ years} = \\$182,500$.</p>																								
Leave Your Job and Continue Coverage	If you leave your current employer you can continue your coverage at the same group rate by paying premiums directly to Aetna.																								
(Optional) Non-Forfeiture Feature - Benefit Bank	If you discontinue paying premiums within the first three years of LTC coverage, all premiums paid are forfeited. However, if you discontinue paying premiums after your LTC coverage has been in place for three or more years, Aetna will set aside the greater of the following to pay for your future long-term care needs: (1) 100% of premiums paid, or (2) one month of benefits. This is not a cash value.																								
(Optional) Death Benefit – Return of Contributions (ROC)	Your premiums can be returned to your beneficiary if you choose to include the Return of Contribution feature (ROC), subject to a 10% reduction rule.																								
Choices to Make	<ol style="list-style-type: none"> 1. Select your Daily Benefit Amount, Lifetime Maximum Benefit, Inflation Protection Increase Feature, and whether or not to include ROC and/or Benefit Bank. 2. If you are an Employee enrolling during the <u>special enrollment</u> period or if you are applying within 60 days of hire, please complete the 1-page enrollment form. 3. If you are a Spouse or Domestic Partner of an employee enrolling during the <u>special enrollment</u> period, please complete the <i>Spouse or Domestic Partner of Employee Long Term Care Medical Questionnaire</i>. 4. All other eligible individuals may complete the <i>Long Term Care Medical Questionnaire/Enrollment Form</i>. Employees and Board Members enrolling after the Special Enrollment or new hires enrolling after 60 days of hire may also complete this form. 5. Return the completed form(s) to Aetna. 																								

For more information, please visit www.aetna.com/group/stateofmaine or call 1-800-537-8521.

Enrolling in LTC is as easy as A, B, C . . .

Benefit Feature	Plan A \$100 DBA	Plan B \$150 DBA	Plan C \$200 DBA	Benefit Feature	Plan A \$100 DBA	Plan B \$150 DBA	Plan C \$200 DBA
Lifetime Maximum	3 Years	3 Years	5 Years	Lifetime Maximum	3 Years	3 Years	5 Years
Inflation Protection	Guaranteed Buy Up	Guaranteed Buy Up	Guaranteed Buy Up	Inflation Protection	Guaranteed Buy Up	Guaranteed Buy Up	Guaranteed Buy Up
Non Forfeiture	Not Included	Included	Included	Non Forfeiture	Not Included	Included	Included
Return of Contribution	Not Included	Not Included	Included	Return of Contribution	Not Included	Not Included	Included
Nursing Home	100%	100%	100%	Nursing Home	100%	100%	100%
Assisted Living	60%	60%	60%	Assisted Living	60%	60%	60%
Home Health Care	60%	60%	60%	Home Health Care	60%	60%	60%
Age when coverage effective	BI-WEEKLY RATES			Age when coverage effective	BI-WEEKLY RATES		
<20	\$1.15	\$2.70	\$4.34	56	\$14.68	\$23.88	\$38.31
21	\$1.25	\$2.91	\$4.52	57	\$16.06	\$26.10	\$41.63
22	\$1.29	\$3.05	\$4.89	58	\$17.54	\$28.38	\$45.32
23	\$1.38	\$3.25	\$5.17	59	\$19.20	\$31.02	\$49.48
24	\$1.48	\$3.39	\$5.45	60	\$20.95	\$33.85	\$53.72
25	\$1.57	\$3.53	\$5.72	61	\$23.12	\$37.11	\$58.71
26	\$1.71	\$3.81	\$6.18	62	\$25.38	\$40.50	\$63.97
27	\$1.94	\$4.15	\$6.74	63	\$28.11	\$44.45	\$69.97
28	\$2.12	\$4.43	\$7.11	64	\$31.02	\$48.88	\$76.62
29	\$2.26	\$4.64	\$7.57	65	\$33.78	\$52.62	\$82.62
30	\$2.45	\$4.92	\$7.94	66	\$37.34	\$58.36	\$91.85
31	\$2.63	\$5.26	\$8.40	67	\$41.45	\$65.01	\$102.55
32	\$2.86	\$5.61	\$8.95	68	\$44.82	\$70.55	\$111.32
33	\$3.09	\$5.95	\$9.51	69	\$48.60	\$76.64	\$121.11
34	\$3.37	\$6.30	\$10.06	70	\$52.85	\$83.22	\$132.18
35	\$3.60	\$6.65	\$10.62	71	\$57.60	\$90.69	\$144.46
36	\$3.83	\$7.06	\$11.45	72	\$62.91	\$99.00	\$158.22
37	\$4.11	\$7.41	\$12.00	73	\$68.91	\$107.86	\$173.72
38	\$4.38	\$7.82	\$12.65	74	\$75.51	\$117.90	\$190.98
39	\$4.66	\$8.31	\$13.29	75	\$82.89	\$128.56	\$209.63
40	\$4.98	\$8.72	\$14.12	76	\$91.20	\$140.82	\$231.42
41	\$5.26	\$9.21	\$14.86	77	\$100.48	\$154.11	\$255.69
42	\$5.68	\$9.83	\$15.69	78	\$110.68	\$168.58	\$282.65
43	\$6.00	\$10.25	\$16.52	79	\$121.75	\$184.22	\$312.28
44	\$6.37	\$10.80	\$17.45	80	\$132.83	\$200.08	\$342.92
45	\$6.69	\$11.28	\$18.37	81	\$143.31	\$214.96	\$372.37
46	\$7.11	\$12.05	\$19.29	82	\$153.46	\$229.57	\$402.28
47	\$7.52	\$12.67	\$20.31	83	\$163.89	\$244.66	\$435.69
48	\$8.03	\$13.50	\$21.69	84	\$173.35	\$258.51	\$469.11
49	\$8.58	\$14.26	\$23.08	85	\$181.29	\$270.28	\$500.40
50	\$9.18	\$15.23	\$24.46	86	\$190.52	\$283.92	\$536.49
51	\$9.78	\$16.20	\$26.03	87	\$198.37	\$295.68	\$571.29
52	\$10.43	\$17.17	\$27.60	88	\$205.15	\$305.86	\$604.52
53	\$11.35	\$18.69	\$30.00	89	\$211.06	\$314.86	\$636.65
54	\$12.32	\$20.22	\$32.40	90+	\$215.08	\$321.16	\$663.23
55	\$13.48	\$21.88	\$35.08				

Other Options: In addition to the three options offered above, the following options are available upon request:

- Additional Daily Benefit Amounts - \$100, \$150, \$200, \$250, \$300, \$350
- Non Forfeiture – which guarantees some coverage if your policy lapses.
- Return of Contribution – death benefit
- Automatic Inflation – 5% inflation that enables your benefit to automatically keep pace with inflation.

For more information and other plan options, please visit www.aetna.com/group/stateofmaine or call 1-800-537-8521.