

2003-05 Shopper's
Guide

Long-Term Care Insurance

Senior Health
Insurance
Counseling
Program
"SHICP"



Oklahoma Insurance Department
1-800-763-2828
(405) 521-6628

Foreword

This guide contains information about insurance for individuals shopping for long-term care insurance. The Oklahoma Insurance Department, SHICP 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 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.

If you need personal assistance and counseling, the Senior Health Insurance Counseling Program 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 Senior Health Insurance Counseling Program “SHICP” trains and utilizes a volunteer staff of Insurance Counselors statewide who provide one-to-one counseling and assistance to senior citizens. These volunteers provide free, accurate, and objective information that can help Medicare recipients make informed decisions about their health care needs.

The SHICP volunteer counselors are trained by the SHICP staff, having completed a required 20-hour (3-day) mini-course covering Medicare, Medicare supplements, 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 SHICP at 1-800-763-2828. Many of our volunteers are senior citizens who enjoy volunteer work or are those who by their profession are involved in assisting the aging population in Oklahoma.

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 that company. If a company you are checking on is not listed, please contact the SHICP office at (405) 521-6628 or toll-free at 1-800-763-2828 for further information.

Consumer brochures are available to Oklahoma residents explaining other insurance coverage. These, too, are available from:

Oklahoma Insurance Department
P.O. Box 53408
Oklahoma City, Oklahoma 73152-3408

For Additional Insurance Department
Information Call:

Toll Free Number	Questions on Life & Health Policies
1-800-522-0071	(405) 521-3541
Complaints & Claims	Information on Insurance Agents
(405) 521-2991	(405) 521-3916
Information on Licensed Companies	Property & Casualty Rates and Policies
(405) 521-3966	Information
General Information	(405) 521-3681
(405) 521-2828	

**Call the SHICP at:
1-800-763-2828
(405) 521-6628**

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Long-Term Care

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 (ADL's). These ADL's are usually referred to as: bathing, continence, dressing, eating, toileting and transferring (see page #11 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 definitions 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 1997, the national average cost was more than \$46,000 for a year of nursing home care. In Oklahoma, 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 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. Or 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 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 will 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 (see Exhibit 1).

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 younger-the annual premium is less and you will pay less total premium in the long run. Also, 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 underwriting 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 the 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 premium without adversely affecting 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	\$250
41-50	\$470
51-60	\$940
61-70	\$2,510
71 and over	\$3,130

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, most policies sold are tax-qualified. 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 common services generally 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 to be 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 deductible 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 Oklahoma Insurance Department to determine if the company you are considering is licensed and in good standing with the Department. The number for information on Licensed Companies is (405) 521-3966 or Toll Free (800) 522-0071 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 are shopping for long-term care coverage. It is not easy to compare one policy with another. You could be comparing “apples with oranges.” SHICP provides free counseling and assistance in reviewing long term care policies. Call 1-800-763-2828 or (405) 521-6628 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.

Others list by name the kinds of facilities where you will not be covered, like homes for the aged and rest homes. Some explicitly define the kinds of facility they will cover. Some will say the facility must care for a certain number of patients or require a certain kind of nursing supervision. The policy requirements may also differ from the licensing requirements in your state. 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:** In the 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 Oklahoma, companies can not 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 which are found in policies and 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 care, the benefit is usually some percentage (50% to 100%) of the benefit for nursing home care. It helps to know how much facilities in your area charge for their care.

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 for Benefits.” Different policies may have very different benefit triggers. Some policies use more than one way to decide when 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:

Bathing	Wash yourself either by sponge bath, in the tub, or shower; get into or out of the shower.
Dressing	Put on and take off all items of clothing and any necessary braces, fasteners, or artificial limbs.
Toileting	Get to and from, on and off the toilet; perform associated personal hygiene.
Continence	Maintain control of bowel and bladder function or perform personal hygiene associated with a catheter or colostomy bag.
Transferring	Move in and out of a chair, bed or wheelchair.
Eating	Feed yourself by getting food into your body from a receptacle (plate, cup or table) or by using a feeding tube or intravenous tubes.

If you are considering buying a policy that pays benefits when you cannot do certain ADL’s, be sure you understand what that means. Some policies spell out very clearly what it means to be unable to feed or bathe oneself. 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 to 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 ADL’s have been developed through years of research. This research also has shown that bathing is usually

■ **Activities of Daily Living**

The inability to do activities of daily living or ADL’s is the most common way insurance companies use to decide when you are eligible for benefits. The ADL’s most companies usually use are bathing, continence, dressing, eating, toileting and transferring. Typically, a policy pays benefits when you cannot do a certain number of the ADL’s, such as two or three of the six. The following are some definitions — although they may vary— of the ADL’s.

the first ADL that a person cannot do. Qualifying for benefits from a policy that uses five ADL’s 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 (ADL’s) for at least 90 days. This definition is used for this benefit trigger.

■ **Cognitive Impairment**

Many policies also pay 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 ADL's 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 ADL's on your own. But 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. Oklahoma law requires that all policies sold in Oklahoma have Alzheimer's disease as a benefit trigger. Also, 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 Oklahoma, 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 a zero elimination period, 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 or paying out of your own pocket for the first days of the 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. It would protect you if you have a prolonged nursing home stay and also 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, it is protection that some people hesitate to purchase 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 - An \$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: The same \$100.00 per day policy as above which increases at 5% compounded interest will provide \$265.00 per day in 20 years.

Note: Oklahoma 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 the inflation protection. Be sure you understand what you are signing. See page 19 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 may add to the cost of your policy, but will enhance your coverage. However, many of these 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 Oklahoma. It allows you

to name someone that the insurance company would contact if your coverage is 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**—This option allows you to stop paying your premium once you enter into a nursing home and the company has started to pay benefits. This may begin when the company makes its first payment or it is often a set period of time such as 90 days. The requirements may be different when receiving home health care benefits.
- **Nonforfeiture Benefits**—Nonforfeiture guarantees you will receive something (such as limited benefits or a return of premium) if you cancel the policy or the company cancels because your payments stop. It 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. It is not a savings or investment. It does not matter how much money you have paid, or how long you've had the policy, it disappears when your payments stop. This will occur unless you are already receiving benefits under an eligible waiver of premium or the policy has a nonforfeiture provision. In Oklahoma, 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**—This 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, this 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 how this occurs could be, if you have a four year policy and used less than four years of care in a nursing home and then no longer needed that level of care and went 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. This 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. It usually can do this 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 that 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 Oklahoma, 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 Oklahoma 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. Nonforfeiture benefits can also add significantly to the cost of the policy. Consider how much income you have and how much you can afford to spend on a long-term care policy now. But also 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. Oklahoma 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, an Oklahoma 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 too, carefully consider any changes. Also, 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, for example, if 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 do 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, there are some good reasons to shop for a newer model.

- 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. If you have a good policy you bought when you were younger, you might ask if the insurance carrier can enhance the policy; for example, 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 homework. Get a realistic idea of what you need and how much you can afford to pay for it.

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

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

Read the outline of coverage very carefully.

Ask questions about everything you don't understand.

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

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 agent. Make them 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.



If you need assistance, call SHICP at

1-800-763-2828

(405) 521-6628

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 be confined 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 26 and 27 is provided for your convenience in comparing policies.

Take your time and compare outlines of coverage. Oklahoma 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 and do not hesitate to call or write to the company and ask your 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 Oklahoma Insurance Department's Senior Health Insurance Counseling Program (SHICP) at (405) 521-6628 or toll free 1-800-763-2828.

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.

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 it 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 also may be a good idea to check with your financial advisor for further information.

Third Party Notification. Oklahoma 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. This helps insure that policyholders will not be cancelled if they become ill and forget to send their payments.

Check on the financial stability of the company you are considering. It is important to make sure the company is licensed in Oklahoma. In addition, several private companies or rating agencies conduct financial analysis 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 listed 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
- DeMotech, Inc.—(614) 761-8602
- Duff & Phelps, Inc.—(312) 368-3157 or at www.dcreo.com
- Fitch Investors Service, Inc.—(212) 908-0500 or at www.fitchibaca.com
- Moody’s Investors Service—(212) 553-0377 or at www.moody.com
- Standard & Poor’s—(212) 208-1527 or at www.ratings.standardpoor.com
- Weiss Research, Inc.—(800) 289-9222 or at www.weissinc.com

Additionally, the Financial Division of the Oklahoma Insurance Department keeps information and filings on each company and can let you know if a company is licensed and in good standing with the Oklahoma Insurance Department. You may contact that Division at 1-800-522-0071 or (405) 521-3966.

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 and 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. Oklahoma 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 the policy be cancelled 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 policies, contact the Oklahoma Insurance Department’s Senior Health Insurance Counseling Program at 1-800-763-2828.

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 nonforfeiture benefits and inflation protection and allow employees to keep their coverage after they leave their employer. They 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.

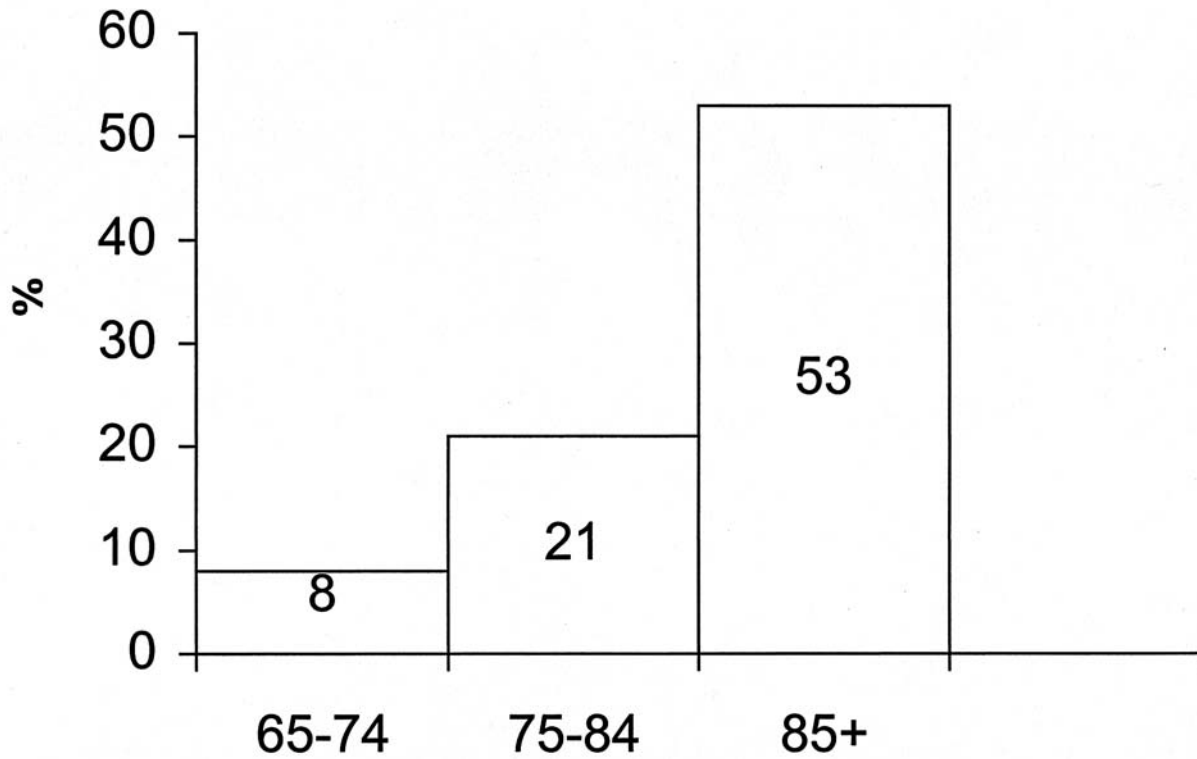
XIX. MORE ABOUT INFLATION

People are living longer and enjoying better health than they did just a few years ago. Today 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 to develop drugs to prevent or delay disease, rather than just treating 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 will do so disabled. (See Exhibit 1 on page 20). 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. Exhibit 2 (page 21) illustrates the dramatic difference in no adjustment, 5% simple and 5% compound inflation over many years. 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. (see Exhibit 3 and Exhibit 4 on pages 22 and 23).

NEED FOR LTC BY AGE



Source: "Chronic Disability Trends in Elderly US Population: 1992-1994" by Manton, Corder and Stallard, Proceedings of the Natl. Academy of Science, Vol. 94, March 1997

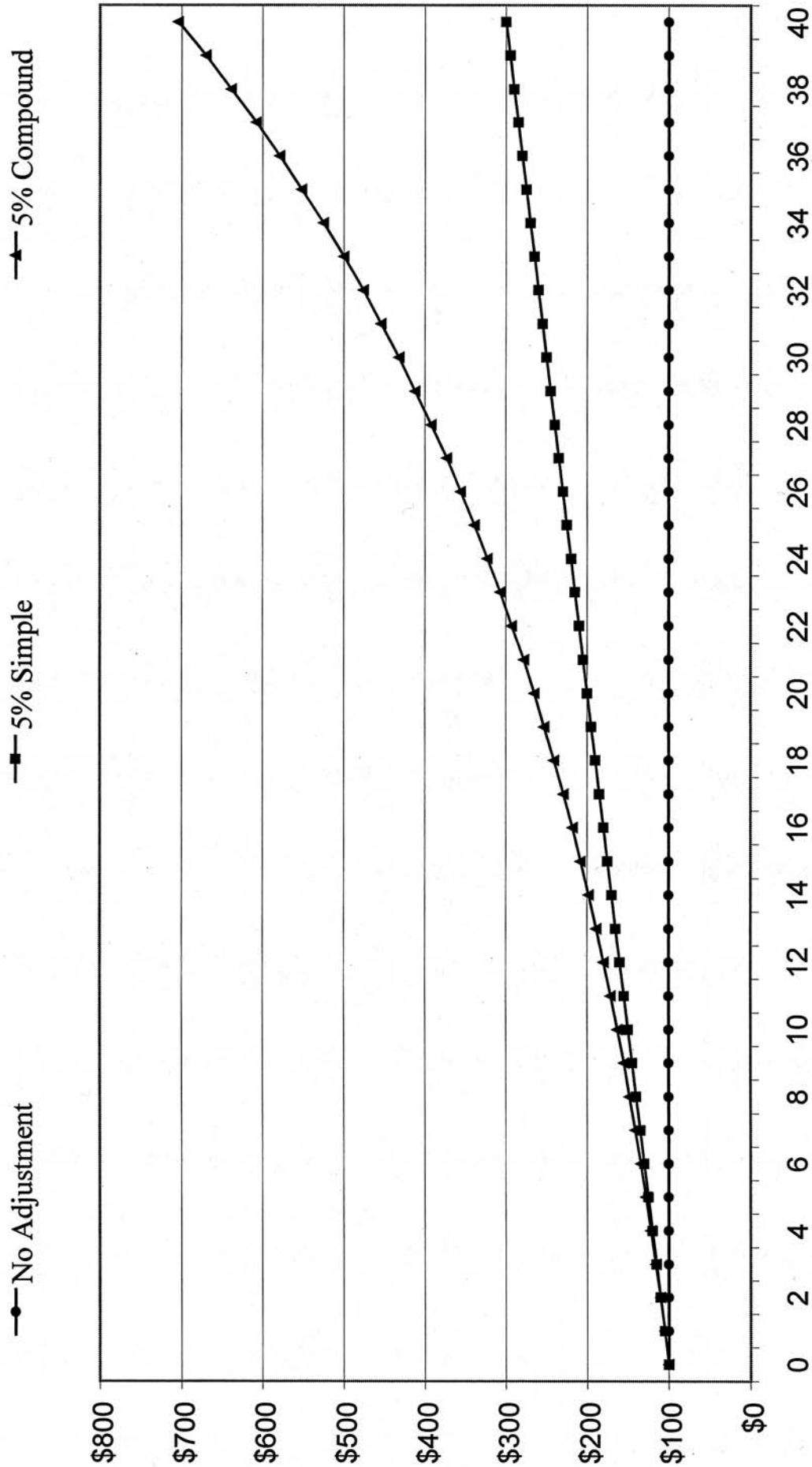
Top reasons for needing LTC insurance:

Home: Stroke, fractures, Alzheimer's/dementia

Institutional: Alzheimer's/dementia, stroke, and fractures, Parkinson's

EXHIBIT 1

WHICH INFLATION ADJUSTMENT?



Year
EXHIBIT 2

**FOR A 50 YEAR OLD:
HIGHER BENEFITS OR INFLATION ADJUSTMENT?**

- After 14 years (age 64), the inflation adjusted benefit is equal to the \$200 per day policy. That difference increases over time.
- Forgoing the inflation adjustment and purchasing higher benefits is possibly not a good strategy. Without an inflation adjustment, the purchasing power of your benefit decreases over time. The probability that you will need the benefit increases over time.

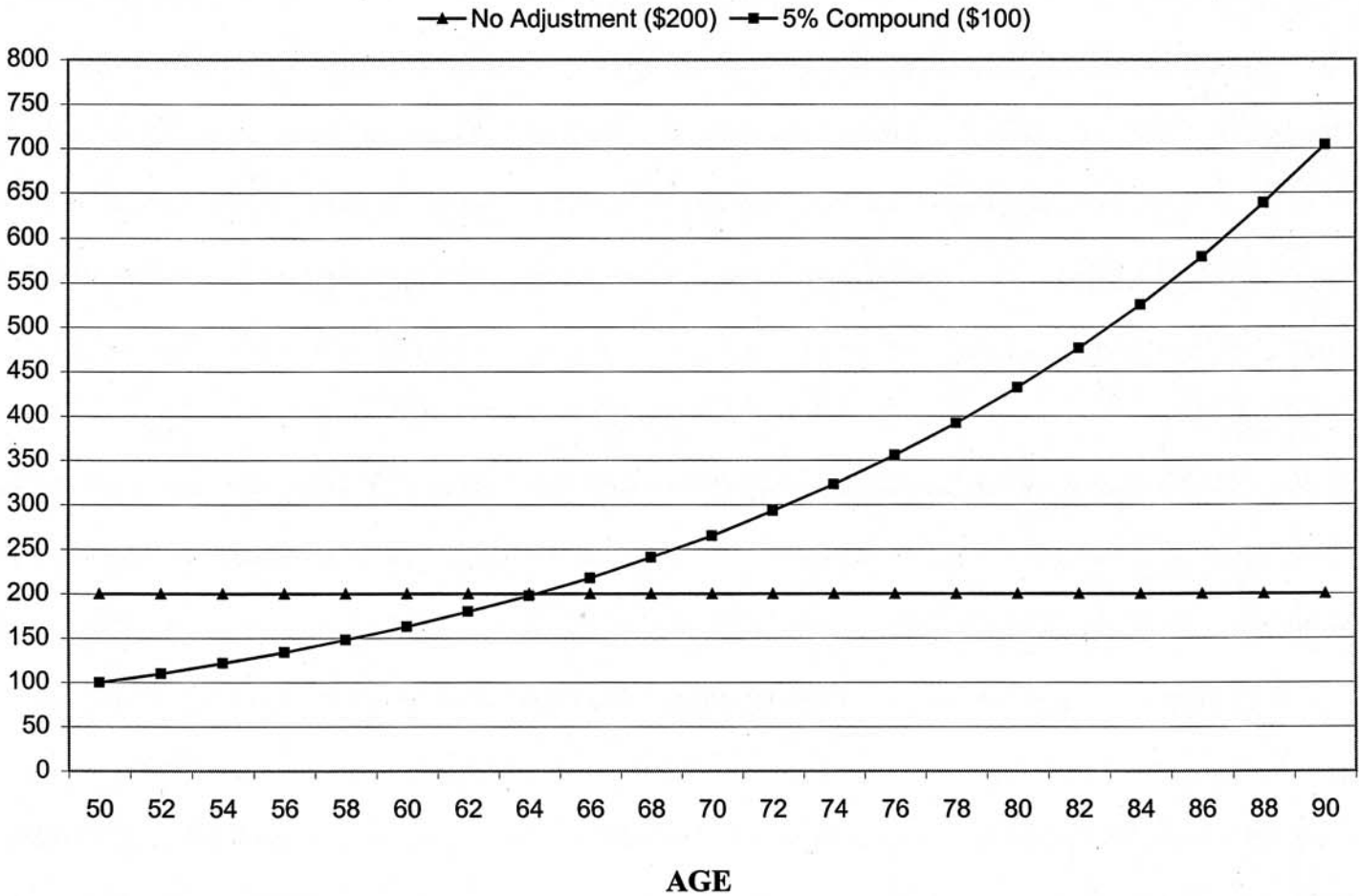


EXHIBIT 3

**FOR A 79 YEAR OLD:
HIGHER BENEFITS OR INFLATION ADJUSTMENT?**

- After 7 years (age 86) the inflation adjusted benefit is greater than the fixed benefit. That difference increases over time.
- Without an inflation adjustment, the purchasing power of your benefit decreases over time. The probability that you will need the benefit increases over time.

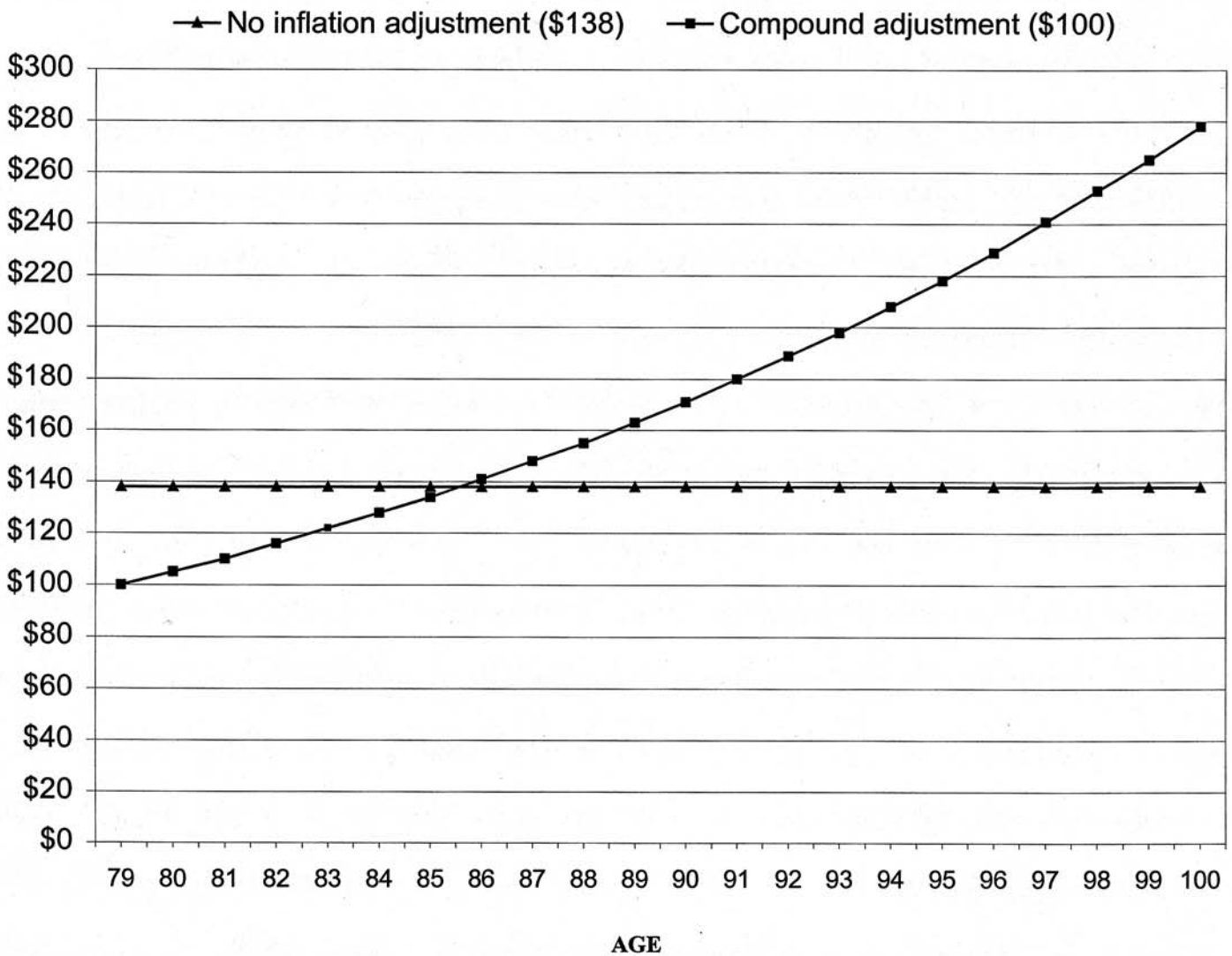


EXHIBIT 4

XX. GLOSSARY

Activities of Daily Living (ADL's)—Everyday functions and activities individuals usually do without help. ADL functions including bathing, continence, dressing, eating, toileting, and transferring. Many policies use the inability to do a certain number of ADL's (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—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 services.

Chronic Illness—An illness with one or more of the following characteristics: permanency, residual 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 cancelled and must be renewed when it expires 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 done by someone other than yourself because you are unable to do 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—The 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.

Nonforfeiture 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 disability for which you were treated or advised within a time period before applying for a life or health insurance policy.

Respite Care—Offers a few hours to several days of help 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 ADL's.

Substantial Supervision—The presence of a person directing and watching over another 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, for example.

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.

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

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

Note: Companies can no longer require a prior hospital or SNF stay before one can be eligible for benefits. Also, they cannot exclude benefits for Alzheimer's Disease. These questions are asked in this comparison since 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 more than one comprehensive plan or 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 Oklahoma. 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 Oklahoma by calling 1-800-522-0071.

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—These premiums were in effect in January of 2001. 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 Oklahoma Insurance Department requested the information from each company, and does not assume responsibility for the accuracy of this information.

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 P.O. Box 1344 Minneapolis, MN 55440-1344 (763) 765-6500 Spousal Discount 30% AM Best Rating A+											
A	540	720	1044	1644	2724	4452	1225	1504	2004	2844	4249	6366	
B	710	950	1400	2250	3790	6430	1611	1985	2688	3892	5912	9194	
C	756	1008	1461	2301	3813	6263	1716	2106	2806	3981	5949	8912	
D	994	1330	1960	3150	5306	9002	2256	2779	3763	5449	8277	12872	

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

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
		American Fidelity Assurance Company 2000 N. Classen Blvd. Oklahoma City, OK 73106 (405) 523-2000 or (888) 412- 2121 Spousal Discount 25% AM Best Rating A+	A	707	1004	1457	2166	3220	4787	2056	2431	3059	3965
	B	952	1327	1949	2934	4418	6653	2771	3211	4092	5370	6892	8847
	C	1060	1507	2185	3249	4830	7181	3085	3646	4584	5946	7535	9551
	D	1429	1990	2923	4401	6627	9978	4157	4816	6139	8055	10338	13271
Bankers Life and Casualty 222 Merchandise Mart Plaza Chicago, IL 60654-2001 (888) 282-8252 Spousal Discount 20% AM Best Rating B Notes: 1	A	471	673	1014	1634	2624	4080	1144	1495	2004	2826	4036	5897
	B	744	1049	1555	2465	3846	N/A	1900	2429	3196	4433	6131	N/A
	C	754	1077	1622	2614	4198	6529	1830	2391	3207	4522	6459	9435
	D	1190	1678	2488	3944	6153	N/A	3041	3887	5113	7092	9810	N/A

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

B—Single Life—Lifetime Benefits, 90 or 100 Day Elimination

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

D—Joint Life—Lifetime Benefits, 90 or 100 Day Elimination

NOTES: 1— 20% applies to both spouse's premiums when used on one policy.

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 Oklahoma 1650 Los Gamos Drive San Rafael, CA 94903 (800) 763-7953 Spousal Discount 25% AM Best Rating B++ Notes: 1		A	558	801	1134	1827	3069	4923	1044	1386	1881	2808
B	801	1089	1593	2601	4266	5706	1566	2088	2943	4320	6597	8271		
C	918	1278	1836	2970	5040	8100	1818	2412	3276	4878	7542	11142		
D	1098	1494	2178	3528	5868	9252	2160	2880	3960	5904	9054	13392		
Catholic Order of Foresters 355 Shuman Blvd. Naperville, IL 60566 (800) 552-0145 Spousal Discount 15% AM Best Rating A-		A	454	606	902	1455	2465	3397	778	984	1400	2072	3155	3893
B	651	888	1356	2044	3184	4387	1139	1455	2093	2863	4115	5071		
C	771	1030	1533	2474	4191	5774	1322	1673	2380	3523	5364	6619		
D	1107	1510	2304	3475	5412	7458	1936	2472	3558	4867	6995	8620		

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

B—Single Life—Lifetime Benefits, 90 or 100 Day Elimination

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

D—Joint Life—Lifetime Benefits, 90 or 100 Day Elimination

NOTES: 1—Policies A and C are a 50 day Elimination.

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 5050 Broadway Chicago, IL 60640 (800) 999-2170 Spousal Discount 20% AM Best Rating A		420	620	860	1380	2400	4000	790	1130	1500	2260
		580	840	1150	1810	3210	5180	1080	1530	2000	2970	4800	7460
		672	992	1376	2208	3840	6400	1264	1808	2400	3616	5920	9216
		928	1344	1840	2896	4992	8288	1728	2448	3200	4752	7680	11936
Continental General Insurance Company P.O. Box 29136 Mission, KS 66201 (877) 291-5434 Spousal Discount 50% off lesser premium AM Best Rating B+		608	808	1144	1888	3120	N/A	2112	2288	2752	3736	5368	N/A
		920	1176	1632	2552	4144	N/A	3176	3384	4032	5320	7640	N/A
		912	1212	1716	2832	4680	N/A	3168	3432	4128	5604	8052	N/A
		1380	1764	2448	3828	6216	N/A	4764	5076	6048	7980	1146	N/A
Equitable Life & Casualty 3 Triad Center, Suite 200 Salt Lake City, UT 84180-1202 (800) 352-5170 Spousal Discount 10% joint discount AM Best Rating B++		412	480	615	1001	1627	2656	660	768	922	1451	2115	3187
		616	716	910	1466	2373	3888	985	1145	1365	2126	3085	4666
		742	863	1106	1801	2929	4781	1187	1382	1660	2612	3808	5737
		1108	1288	1638	2639	4272	6998	1773	2061	2457	3827	5554	8398

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

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	
		General Electric Capital Assurance Company 6630 West Broadway St. Richmond, VA 23230 (800) 844-6543 Spousal Discount 40% AM Best Rating A+		675	882	1305	2106	3762	6462	1395	1728	2322	3456	5733
		B	981	1359	1962	3231	5715	2007	2673	3645	5472	8892	14310	
		C	750	980	1450	2340	4180	1550	1920	2580	3840	6370	1024	
		D	1090	1510	2180	3590	6350	2230	2970	4050	6080	9880	15900	
Guarantee Trust Life Insurance Company 1275 Milwaukee Ave. Glenview, IL 60025 (800) 338-7452 Spousal Discount 10% AM Best Rating A-		A	576	736	1015	1625	2689	4748	1227	1501	1868	2697	4061	6552
		B	755	931	1254	1964	3190	N/A	1609	1900	2308	3260	4816	N/A
		C	1037	1324	1827	2925	4841	8546	2210	2702	3363	4855	7310	11794
		D	1359	1676	2258	3535	5742	N/A	2896	3420	4154	5868	8670	N/A

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

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
		John Hancock Life Insurance Company P.O. Box 111 Boston, MA 02117 (800) 543-6415 Spousal Discount 10% for one 20% each if both apply AM Best Rating A++		460	604	892	1438	2416	N/A	949	1179	1582	2359
		599	839	1199	1966	3236	N/A	1199	1606	2253	3308	5058	N/A
		704	924	1364	2200	3695	N/A	1452	1804	2420	3607	5631	N/A
		917	1283	1833	3006	4949	N/A	1833	2456	3446	5059	7735	N/A
Kanawha Insurance Company P.O. Box 610 Lancaster, SC 29721 (800) 635-4252 Spousal Discount 10% AM Best Rating A-		353	539	923	1688	3211	N/A	653	994	1617	2741	4702	N/A
		543	769	1161	1942	3505	N/A	1004	1418	2035	3153	5132	N/A
		636	971	1661	3039	5780	N/A	1176	1790	2911	4934	8463	N/A
		977	1383	2089	3495	6309	N/A	1807	2552	3662	5675	9237	N/A

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

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 2705 Brown Trail, B-100 Bedford, TX 76021 (800) 325-5823 Spousal Discount 40% AM Best Rating A+											
A	742	919	1296	2027	3412	4760	1976	2213	2718	3653	5304	6598	
B	917	1242	1863	2949	5362	5416	2443	2987	3910	5314	8335	7507	
C	875	1085	1529	2392	4026	5616	2331	2611	3209	4311	6259	7785	
D	1082	1465	2198	3479	6327	6390	2883	3524	4613	6270	9834	8858	
Lincoln Benefit Life Company 6400 Canoga Ave., Ste 100 Woodland Hills, CA 91367 (888) 503-8110 Spousal Discount 50% AM Best Rating A+													
A	453	598	960	1612	2427	4238	1019	1195	1728	2740	3883	6146	
B	563	743	1193	2003	3015	5265	1266	1485	2146	3404	4824	7634	
C	679	897	1440	2418	3641	6357	1528	1793	2592	4111	5825	9218	
D	844	1114	1789	3004	4523	7898	1898	2227	3220	5106	7236	11451	
Massachusetts Mutual Life Insurance Company 6400 Canoga Ave., Ste 100 Woodland Hills, CA 91367 (888) 503-8952 Spousal Discount 50% AM Best Rating A++													
A	400	545	800	1333	2318	4173	840	1035	1440	2266	3709	6260	
B	552	752	1104	1840	3200	5760	1159	1429	1987	3128	5120	8640	
C	600	817	1200	2000	3478	6260	1260	1553	2160	3399	5564	9390	
D	828	1128	1656	2760	4800	8640	1739	2143	2980	4692	7680	12960	

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

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
		Med America Insurance Company 651 Holiday Dr.; Foster Plaza, Bldg. 5, Ste. 300 Pittsburgh, PA 15220 (800) 544-0327 Spousal Discount 10% AM Best Rating A- Notes: 1	A	344	505	780	1278	2027	3404	857	1102	1477	2119
	B	314	460	711	1164	1847	3102	781	1004	1345	1931	2704	4022
	C	N/A											
	D	N/A											
Metropolitan Life Insurance Company 57 Green Farms Road Westport, CT 06880 (888) 799-0902 Spousal Discount - Yes AM Best Rating A+	A	440	591	924	1579	2868	5015	983	1248	1730	2595	4221	6688
	B	628	843	1318	2251	4088	*6112	1402	1779	2466	3700	6017	*8151
	C	725	974	1523	2601	4724	8259	1619	2056	2850	4275	6952	11015
	D	1034	1388	2170	3708	6734	*10067	2308	2931	4062	6093	9911	*13425
Monumental Life Insurance Company 2705 Brown Trail Bedford, TX 76021 (800) 338-0257 Spousal Discount 42% AM Best Rating A+ Notes: 2	A	826	1023	1442	2256	3797	5025	1897	2487	3056	4106	5961	7035
	B	926	1254	1881	2979	5417	N/A	2492	3048	3989	5421	8503	N/A
	C	960	1098	1674	2620	4410	5838	2580	2888	3550	4770	6926	8172
	D	1076	1456	2186	3460	6292	N/A	2894	3540	4634	6298	9878	N/A

A—Single Life—Three Year Benefit Period, 20 or 30 Day Elimination
 B—Single Life—Lifetime Benefits, 90 or 100 Day Elimination
 C—Joint Life—Three Year Benefit Period, 20 or 30 Day Elimination
 D—Joint Life—Lifetime Benefits, 90 or 100 Day Elimination
 *---7 year Benefit Period; Lifetime benefit not available.

NOTES: 1—10% If both spouses are issued policies and both policies remain inforce for 1 year.
 NOTES: 2—Policy A 1250 Days 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 of Omaha Insurance Company Mutual of Omaha Plaza Omaha, NE 68175 (800) 775-6000 Spousal Discount 10% AM Best Rating A											
National States Insurance Co. 1830 Craig Park Court, Suite 100 St. Louis, MO 63146 (800) 868-6788 Spousal Discount N/A AM Best Rating B+ Notes: 1													
Northwestern Long Term Care Insurance Company 720 E. Wisconsin Ave. Milwaukee, WI 53202 (414) 665-1444 Spousal Discount 15% AM Best Rating A++ Notes: 2													
A	470	686	1073	1769	2898	N/A	996	1318	1867	2742	4057	N/A	
B	622	898	1407	2266	3688	5701	1318	1723	2447	3513	5163	7297	
C	845	1235	1931	3185	5216	N/A	1792	2372	3360	4936	7303	N/A	
D	1119	1616	2532	4079	6638	10262	2372	3102	4405	6323	9293	13135	
A	270	410	570	970	1680	3030	710	930	1140	1670	2540	4090	
B	290	440	600	1020	1760	3160	780	1020	1250	1820	2770	4430	
C	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
D	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	687	918	1272	2076	3431	N/A	2168	2476	2945	4144	5956	N/A	
B	862	1156	1607	2629	4341	N/A	2963	3335	3929	5494	7855	N/A	
C	1167	1560	2162	3529	5832	N/A	3685	4209	5006	7044	10125	N/A	
D	1465	1965	2731	4469	7379	N/A	5037	5669	6679	9339	13353	N/A	

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

NOTES: 1—Policy B is a 5 yr Benefit Period.

NOTES: 2—Policies A and C are 46 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	
		Penn Treaty Network America Insurance Company 3440 Lehigh Street Allentown, PA 18105-7066 (800) 362-0700 Spousal Discount 10% for each AM Best Rating B++		A	452	576	831	1318	2173	3658	796	1016	1428	2117
		B	766	963	1393	2198	3701	5887	1401	1762	2482	3649	5567	7842
		C	814	1037	1496	2372	3911	6584	1433	1829	2570	3811	5720	8590
		D	1377	1733	2507	3956	6662	10597	2522	3172	4468	6568	10021	14116
Physicians Mutual Insurance Company 2600 Dodge St. Omaha, NE 68131 (800) 228-9100 Spousal Discount 20% AM Best Rating A		A	565	775	1122	1866	3296	5297	1018	1372	1919	3004	4779	6886
		B	759	997	1398	2384	4141	6471	1368	1764	2391	3839	6005	8412
		C	904	1240	1796	2985	5273	8475	1629	2195	3071	4806	7646	11017
		D	1214	1595	2237	3815	6626	10354	2188	2823	3825	6142	9608	13460
Prudential Financial 290 West Mount Pleasant Avenue Livingston, NJ 07039 (800) 732-0416 Spousal Discount 20% AM Best Rating A		A	647	816	1163	1853	3132	N/A	1326	1582	2162	3211	5047	N/A
		B	886	1117	1592	2538	4289	N/A	1816	2167	2961	4397	6910	N/A
		C	1035	1306	1861	2965	5012	N/A	2122	2532	3460	5138	8075	NA8
		D	1418	1788	2548	4060	6863	N/A	2906	3467	4738	7035	11057	N/A

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

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
		Pyramid Life Insurance Company 600 Courtland Street Orlando, FL 32804 (800) 538-1053 Spousal Discount 50% of lesser premium AM Best Rating B+ Notes: 1											
A	404	545	747	1020	1618	3068	1300	1353	1561	1818	2583	4273	
B	725	995	1369	1851	2917	N/A	2576	2749	3201	3705	5149	N/A	
C	605	816	1120	1530	2426	4601	1950	2029	2341	2726	3874	6408	
D	1087	1492	2053	2776	4375	N/A	3864	4124	4801	5558	7723	N/A	
State Farm Mutual Automobile Insurance Company One State Farm Plaza Bloomington, IL 61710-0001 Contact Any Local State Farm Agent Spousal Discount 20% AM Best Rating A++													
A	497	702	1001	1784	2933	5234	1065	1368	1801	2800	4326	6962	
B	779	1109	1598	2740	4569	7819	1632	2137	2875	4411	6679	10549	
C	796	1124	1602	2854	4692	8374	1704	2190	2882	4480	6920	11138	
D	1246	1774	2556	4384	7310	12510	2610	3410	4600	7058	10686	16878	
State Life Insurance Company 6400 Canoga Ave., Ste 100 Woodland Hills, CA 91367 (800) 505-8101 Spousal Discount Up to 50% AM Best Rating A													
A	352	452	854	1457	2311	4320	703	791	1281	2112	3235	5832	
B	470	605	1142	1949	3092	5779	941	1058	1714	2826	4328	7802	
C	527	678	1281	2185	3466	6480	1055	1187	1921	3168	4852	8748	
D	706	907	1714	2923	4637	8669	1411	1588	2570	4239	6492	11703	

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

B—Single Life—Lifetime Benefits, 90 or 100 Day Elimination

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

D—Joint Life—Lifetime Benefits, 90 or 100 Day Elimination

NOTES: 1—Policies A and C are a 2 year Benefit Period - 0 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
		Transamerica Occidental Life Insurance Company 2705 Brown Trail Bedford, TX 76095 (800) 227-3740 Spousal Discount 40% AM Best Rating A+											
A	766	950	1338	2094	3524	4970	2061	2308	2837	3811	5532	6958	
B	968	1311	1966	3112	5659	5631	2604	3184	4167	5664	8884	7883	
C	890	1102	1554	2430	4090	5768	2392	2678	3292	4424	6422	8076	
D	1124	1522	2282	3612	6568	6536	3022	3696	4838	6574	10312	9150	
TIAA-CREF Life Insurance Company Teachers Ins. & Annuity Assoc. College Retirement Equities Fund 730 Third Ave. New York, NY 10017 (800) 223-1200 Spousal Discount 10% AM Best Rating A++													
A	470	670	970	1490	2440	4080	1360	1630	2000	2610	3690	5430	
B	690	940	1310	1950	3070	4920	1960	2290	2730	3460	4720	6700	
C	846	1206	1746	2682	4392	7344	2448	2934	3600	4698	6642	9774	
D	1242	1692	2358	3510	5526	8856	3528	4122	4914	6228	8496	12060	
United American Insurance Company 3700 S. Stonebridge Dr. McKinney, TX 75070 (800) 331-2512 Spousal Discount Up to 30% AM Best Rating A+ Notes: 1													
A	462	671	997	1535	2535	4240	1100	1394	1834	2533	3717	5635	
B	410	660	1041	1692	3072	N/A	1228	1691	2318	3349	5380	N/A	
C	792	1126	1634	2524	4124	6522	2040	2528	3230	4422	6314	8898	
D	724	1138	1790	2796	4726	N/A	2320	3120	4254	5874	8276	N/A	

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

NOTES: 1—Policies A and C are a Two Year Benefit Period. Policies B and D are Nursing Home Benefit only.

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
		Unum Provident Corporation 2211 Congress Street Portland, ME 04122 (800) 331-1538 Spousal Discount 10% AM Best Rating A-	A	560	791	1146	1881	3088	4972	1336	1739	2368	3464
	B	840	1116	1532	2509	4106	6574	1842	2403	3286	4951	7472	10728
	C	1008	1425	2063	3386	5558	8949	2406	3130	4263	6235	9194	13213
	D	1512	2009	2759	4516	7384	11833	3316	4326	5915	8912	13451	19311

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



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