

The Federal Long Term Care Insurance Program 3.0

# Program Overview



## See inside for:

- ▶ long term care and long term care insurance facts
- ▶ program benefits
- ▶ eligibility information
- ▶ and much more!



The Federal Long Term Care Insurance Program™

The Federal Long Term Care Insurance Program is sponsored by the U.S. Office of Personnel Management, insured by John Hancock Life & Health Insurance Company, and administered by Long Term Care Partners, LLC.

## The realities of long term care

*The need for long term care can arise from injury or illness at any age—the Federal Long Term Care Insurance Program offers protection and support when it's needed the most.*

Long term care is personal care and other related services provided on an extended basis to people who need help with specific everyday activities (called activities of daily living) or who need supervision due to a severe cognitive impairment, such as Alzheimer's disease. It's common for people to think of this type of care as only for the elderly and only taking place in nursing homes. Actually, the need for long term care can strike at any time in life due to an accident, illness, or injury. And most long term care is provided at home and not in facilities.

Regardless of the setting—home, assisted living facility, or nursing home—long term care can be expensive. And making decisions about long term care can be difficult. **The Federal Long Term Care Insurance Program (FLTCIP)**, the group long term care insurance program that only members of the federal family can apply for, can help.

### You might think you're covered

Many people think that long term care is covered by traditional health insurance plans. It's important to know that long term care expenses generally are not covered by the Federal Employees Health Benefits (FEHB) Program, TRICARE, TRICARE For Life, or disability income insurance. While Medicare covers some care in nursing homes and at home, it does so only for a limited time and is subject to restrictions.

The U.S. Department of Veterans Affairs provides limited long term care services, with restrictions on who can receive them. And Medicaid—the joint federal-state program that pays for health care services for individuals who meet their state's poverty guidelines—cannot be accessed until virtually all of your assets have been depleted to state-required levels and may provide little choice or control over the care you receive.

## The value of long term care insurance

Long term care insurance helps pay for long term care services in many settings—at home or in an adult day care facility, assisted living facility, or nursing home. Long term care insurance can help ensure your independence and reduce your reliance on loved ones should you need long term care. The coverage also offers greater control over the type of care you will receive and where you receive it.

Long term care insurance can also improve your financial security. It helps protect your income, including pensions and annuities, and your savings, such as your Thrift Savings Plan, IRAs, or other investments, from being exhausted by long term care costs. No matter your age, long term care insurance should be a key part of your financial planning activities.

## Coverage under the FLTCIP

Enrollees can feel secure about the program's comprehensive coverage because the FLTCIP is:

- ▶ the only group long term care insurance program for the federal family
- ▶ sponsored and regulated by the U.S. Office of Personnel Management (OPM)
- ▶ supported by the strength and stability of John Hancock Life & Health Insurance Company

This voluntary program is paid for entirely by enrollee premiums. All of the premiums collected for the FLTCIP go into an account that is held by the insurer just for the FLTCIP. The insurer cannot use this account for anything except the FLTCIP.

This program is medically underwritten, which means you'll have to answer questions about your health on your application. Certain medical conditions, or combinations of conditions, will prevent some people from being approved for coverage. You need to apply to find out if you qualify for coverage under the FLTCIP.



## Comprehensive features and services\*

The FLTCIP provides comprehensive coverage for care provided in a variety of settings, including the following:

- ▶ At home, care provided by a nurse, home health aide, therapist, or other authorized provider (including a friend or family member authorized to act as an informal caregiver) is covered.
- ▶ Within the community, services provided at adult day care centers are covered.
- ▶ In an assisted living facility, care, including specialized care for persons living with dementia, is covered.
- ▶ In a nursing home, skilled, intermediate, and custodial care are covered.

### Family members and friends can provide care as informal caregivers

One of the FLTCIP's most popular benefits is coverage for care provided in the home by friends, family members, and other unlicensed caregivers who did not live in your home at the time you became eligible for benefits. When informal care is provided by family members, it's covered for up to 500 days of care in your lifetime.

### Consultative services

The FLTCIP provides access to experienced and knowledgeable program consultants who can help guide decision-making, compare plans, provide personalized rate quotes, and assist in completing an application for coverage.

### Expert care coordination

Our care coordinators are registered nurses experienced in long term care, and they can help individuals manage the challenging transition from living independently to receiving long term care services. If your benefit eligibility is approved, we'll assign a team of care coordinators to work with you and your family members to develop a plan of care that meets your individual needs. In addition, our care coordinators can:

- ▶ provide information and assistance regarding your long term care options
- ▶ help you find care providers in your area
- ▶ share state survey results about service availability, quality, costs, and licensing
- ▶ provide access to discounts for services, when available, in your area
- ▶ monitor the care you are receiving
- ▶ assist with changing your plan of care as your needs change

\*This is a general description of coverage and is not an insurance contract. Only the *FLTCIP 3.0 Benefit Booklet* contains governing contractual provisions.

## Valuable standard features

The FLTCIP delivers value by offering the following standard features to its enrollees:

**Bed reservations:** If you are in an assisted living facility, nursing home, or hospice facility and need to leave that facility for any reason (for example, you need to be hospitalized), the FLTCIP will pay for actual charges you incur for bed reservations, up to the maximum amount shown on your schedule of benefits. Bed reservation benefits are limited to 60 days per calendar year.

**Guaranteed renewable:** Your coverage will not be canceled as long as you pay your premiums on time. And your coverage cannot be canceled due to your age or a change in your health. Your premium can only be changed on a group, not an individual, basis.

**Hospice care:** Hospice care provided at home or within a facility is covered under the FLTCIP.

**International benefits:** The FLTCIP pays for covered services you may require outside the United States.

**Portability:** Even if you are no longer a member of an eligible group (for example, if you are an employee who leaves government employment), you can keep your coverage as long as you continue to pay the required premium and have not exhausted your maximum lifetime benefit.

**Premium stabilization feature:** This feature is an adjustable amount that is calculated as a percentage of premiums paid under the FLTCIP 3.0 group policy. This feature is designed to reduce the potential need for future premium increases. Under certain conditions, this amount may be used to offset your future premium payments or provide a refund of premium death benefit.

Additional conditions and requirements apply and are detailed in the *FLTCIP 3.0 Benefit Booklet*. The premium stabilization feature is also summarized in the outline of coverage in *Book One: Program Details and Rates*.

**Respite services:** The FLTCIP pays benefits to provide your primary caregiver with temporary relief from his or her caregiving responsibilities.

**Stay-at-home benefit:** The FLTCIP offers enrollees numerous options that support care at home, including care planning visits, home modifications (such as installing wheelchair ramps), emergency medical response systems, durable medical equipment (such as wheelchairs, walkers, or hospital-style beds), caregiver training, and home safety checks.

**Waiver of premium:** Once you have completed your waiting period, you do not pay premiums while you are receiving benefits.



## A personalized plan that works for you

Because there is no one-size-fits-all when it comes to long term care insurance, the FLTCIP offers the opportunity to make personalized benefit selections in three key areas:

- ▶ daily benefit amount (DBA): the maximum amount the FLTCIP will pay for a single day of covered long term care services
- ▶ benefit period: the length of time your benefits will last if you receive care every day that is reimbursed at a level equal to the DBA
- ▶ inflation protection: options that increase the value of benefits over time to keep pace with increasing costs of care

For detailed benefit information, download *Book One: Program Details and Rates* at **LTCFEDS.com** or call us for an information kit and personalized rate quote.

**Most Americans turning age 65 will need long term care at some point in their lives.**

*U.S. Department of Health and Human Services.  
National Clearinghouse for Long-Term Care Information,  
<https://longtermcare.acl.gov/the-basics/>  
(accessed July 2019).*

## Who is eligible to apply?

- ▶ Federal and U.S. Postal Service (USPS) employees in positions that convey eligibility for the Federal Employees Health Benefits (FEHB) Program (whether or not they are actually enrolled) and annuitants
- ▶ Active members of the uniformed services who are on active duty or full-time National Guard duty for more than 30 days, including:
  - ▶ active members of the Selected Reserve (members of the Individual Ready Reserve are **not** eligible to apply)
- ▶ Retired members of the uniformed services who are entitled to retired or retainer pay, including:
  - ▶ retired grey reservists, even if they are not yet receiving their retired pay
- ▶ Other eligible employees and annuitants:
  - ▶ deferred annuitants
  - ▶ separated employees with title to a deferred annuity, even if they are not yet receiving that annuity
  - ▶ Tennessee Valley Authority employees (even though they may not be eligible for FEHB coverage) and annuitants
  - ▶ D.C. Government employees and annuitants who were first employed by the D.C. Government before October 1, 1987
  - ▶ D.C. Courts employees and annuitants
  - ▶ Commander, Navy Installations Command (CNIC) employees and annuitants
  - ▶ Nonappropriated Funds (NAF) employees and retirees
  - ▶ Surviving spouses receiving a survivor annuity and domestic partners of deceased workforce members receiving an insurable interest annuity (visit [LTCFEDS.com/eligibility](https://www.ltcfeds.com/eligibility) to determine if you are eligible as a survivor)
- ▶ Qualified relatives are also eligible to apply. *Even if you don't apply for coverage, your qualified relatives can, so tell them about the program today!*

**Visit [LTCFEDS.com](https://www.ltcfeds.com) for the full eligibility listing.**

This program is medically underwritten, which means that you'll have to answer questions about your health on your application. Certain medical conditions, or combinations of conditions, will prevent some people from being approved for coverage. You need to apply to find out if you qualify for coverage under the FLTCIP.



## Why plan now?

*Planning reduces financial and emotional stress on families.*

Long term care can be expensive. By planning now, you can preserve more of your future savings and assets for needs other than long term care. You'll also have greater control over your care.

## New and newly eligible employees

*Take advantage of your 60-day abbreviated underwriting period.*

If you're a new or newly eligible employee, you (and your spouse if you are married) enjoy special incentives to apply for coverage under the FLTCIP within 60 days of your hire or eligibility date:

- ▶ You can apply with abbreviated underwriting, which means that you answer fewer health questions on your application. If you're married, your spouse can also apply with abbreviated underwriting within the same 60-day period, even if you choose not to apply.
- ▶ If you're currently healthy, you avoid the risk that a future illness or condition may disqualify you from obtaining coverage at a later date.

You (and your spouse if you are married) can still apply for coverage after your 60-day abbreviated underwriting period ends, but you must complete a full underwriting application that asks more questions about your health.

To see a full listing of who is eligible for this 60-day abbreviated underwriting period, or to apply online, visit [LTCFEDS.com/apply](https://LTCFEDS.com/apply).

## Start planning today

The coverage you buy for the future can also help protect you today. If an accident or illness occurs when you are relatively young, and you require long term care, your FLTCIP coverage will be there to help pay for the costs of care. You'll also benefit from the peace of mind that comes with knowing you have long term care insurance coverage.

### Getting ready to retire?

Retirement planning is essential in today's world—people are living longer and need a plan that can sustain them throughout the course of retirement.

By including the FLTCIP in your retirement planning, you're helping to protect what you've worked for. Take steps to save your nest egg for what you'd really like to use it for.

### Use our FLTCIP planning tools and resources at LTCFEDS.com to weigh your options

Compare the cost of care in your area for home health, assisted living, and nursing home care or get a customized rate quote by using the premium calculator. You can use these tools together to compare the cost of care with different FLTCIP plan options to determine which coverage meets your needs.

You'll also find a variety of educational resources to help you determine if the FLTCIP is right for you. Register for an upcoming webinar, watch events on-demand at your convenience, download FLTCIP literature, and get answers to frequently asked questions.

### Speak to a program consultant

Learn more about the benefits and coverage available with the FLTCIP, get premium quotes, and receive help completing an application for coverage. Take the time to call and discuss *your* options.

\*Premiums are not guaranteed. Your premium will not change because you get older or your health changes or for any other reason related solely to you. However, your premiums may increase if you are among a group of enrollees whose premium is determined to be inadequate. While the group policy is in effect, OPM must approve the change.



**Apply for coverage today!**

**Visit [LTCFEDS.com](https://www.LTCFEDS.com) to:**

- ▶ download an application kit
- ▶ apply online

Or, to speak with one of our knowledgeable program consultants, call **1-800-LTC-FEDS** (1-800-582-3337)

**TTY 1-800-843-3557.**

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