



The Bucknell University Group Long Term Care Insurance Program

March 28 – April 22, 2011

Underwritten by

Genworth Life Insurance Company

Today's Topics

1 Why People Buy LTC Insurance

2 Myths and Realities

3 Cost Factors

4 Plan Details

5 Benefits of This Plan

6 Summary and Next Steps

Why Do You Think People Might Buy Long Term Care Insurance?



Reasons People Buy Long Term Care Insurance

- Help **protect retirement savings** they have put aside
- Help **protect family** and friends from the burdens of care giving
- Help **maintain choice** of where they receive their care
- Help them **stay in their homes** for as long as possible
- Help them maintain a level of **control and independence** in their lives



Are you concerned about these issues?



Myths and Reality

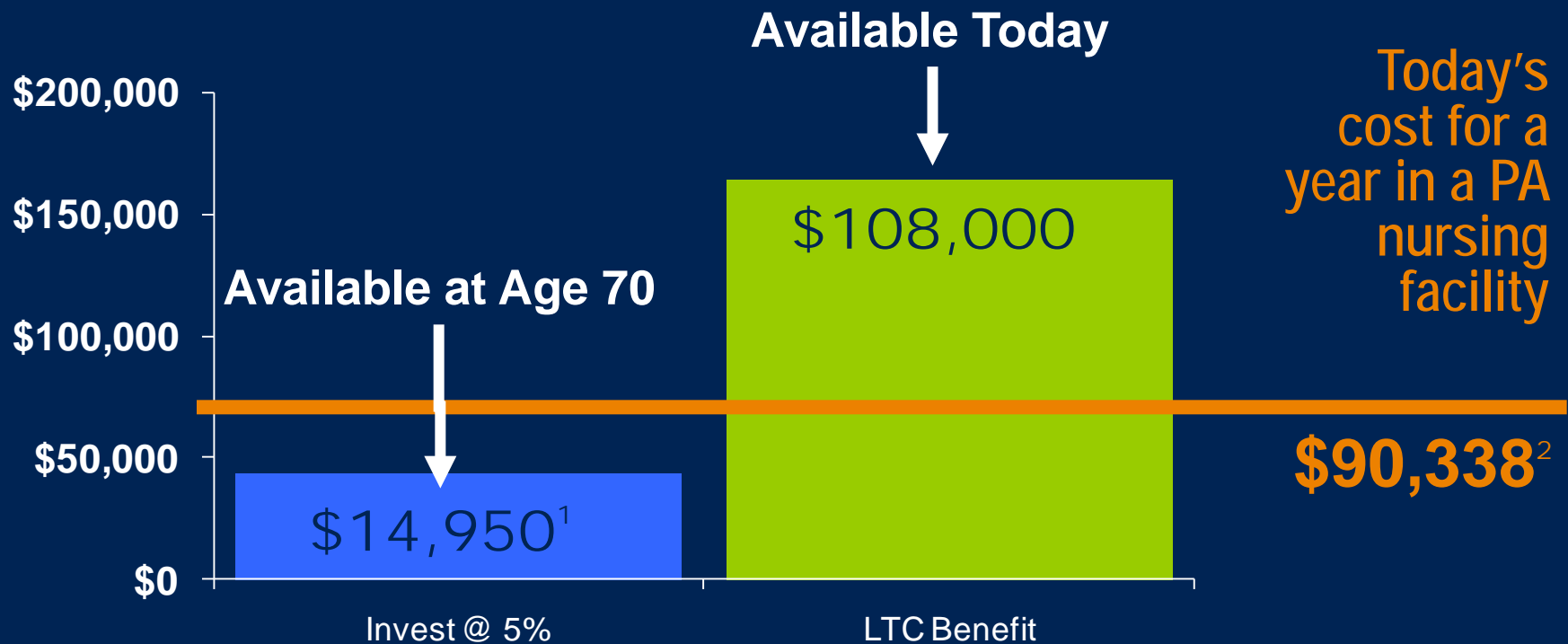
It won't happen to me

My insurance already covers this

The government will pay

I can pay for this out of my savings

Can You Pay for Long Term Care out of Your Savings?



A 45-year old investing the equivalent of their monthly premiums to age 70, would not have enough to pay today's cost for one year in a nursing home

1. Based on \$3,000 Monthly Maximum, \$108,000 total coverage and FPO Benefit increase Option
2. Genworth Financial Cost of Care Survey. Conducted by CareScout 4/2010. Assumes nursing home care is within private room.

Myths and Reality

It won't happen to me

My insurance already covers this

The government will pay

I can pay for this out of my savings

I can rely on my family

It's too expensive

Is Long Term Care Insurance affordable?

Coverage for a 45-year old, under this program can be as low as **\$ 19.66*** per month – less than a dollar a day.

PREMIUMS AT SOME OTHER AGES:

Age 50	\$25.67*
Age 55	\$35.96*
Age 65	\$82.07*

* Premiums shown are case specific and depend on the plan designs and options available

What Does Long Term Care Insurance Cover?

Long term care insurance covers the costs of services that help people perform everyday activities* they may have difficulty doing or may need substantial supervision for.

Long term care situations can result from:

- Injuries caused by accidents
- Illnesses like MS
- Diseases like Alzheimer's or Parkinson's
- Strokes and other chronic conditions

* Activities include Bathing; Dressing; Eating; Contenance; Toileting; and Transferring. Cognitive impairment that requires substantial supervision also qualifies for long term care.

Pennsylvania Costs of Care

	ANNUAL COSTS	COSTS FOR 3 YEARS OF CARE
HOME CARE *	\$20,800	\$62,400
ASSISTED LIVING FACILITY	\$34,920	\$104,760
NURSING HOME** FACILITY	\$90,338	\$271,014

* Based on 20 hours of home care provided by a non-licensed but certified provider @ \$20 per hour

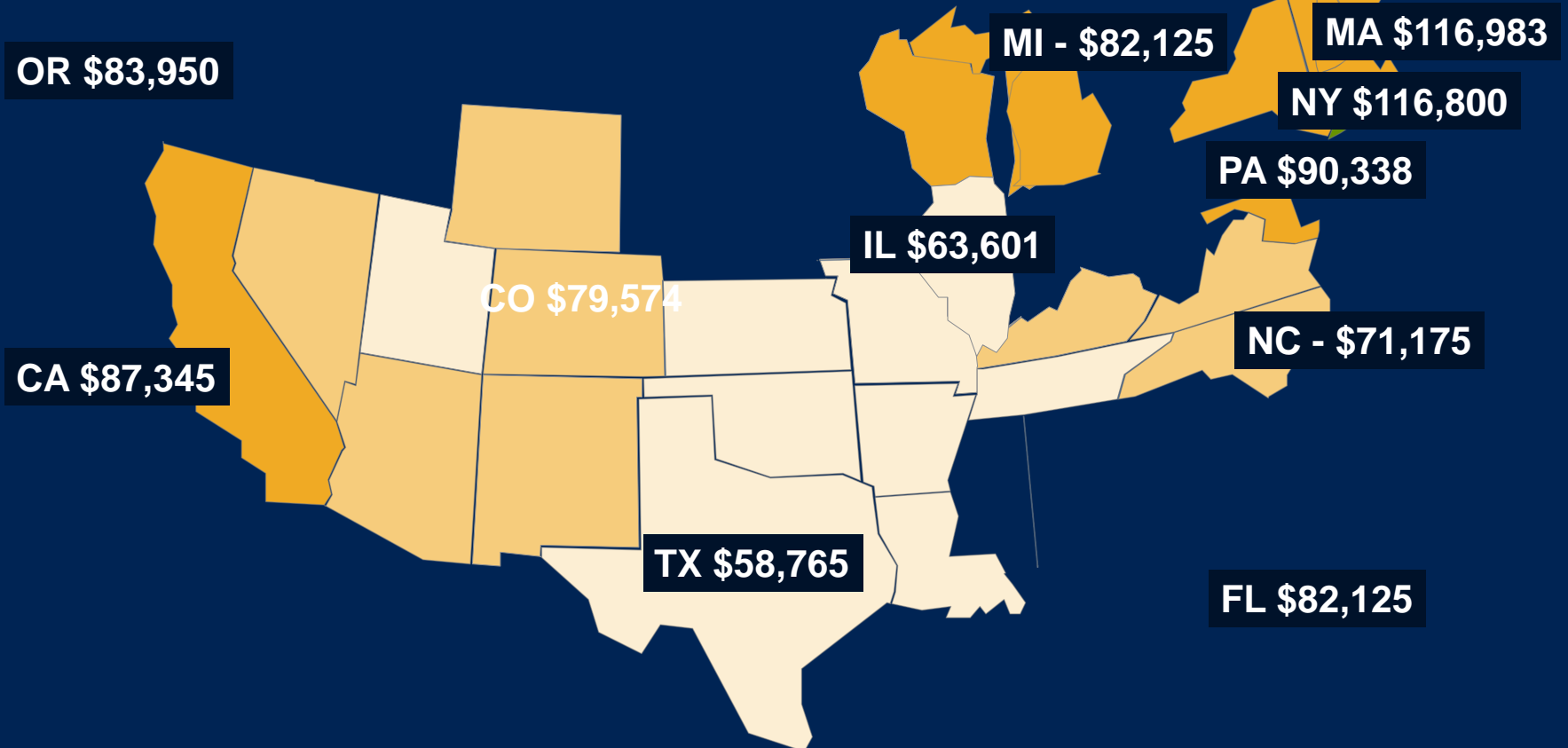
** Based on the annual cost of a private room in a nursing home in the state of Pennsylvania

Key Location Annual Costs*

National Average \$75,190*

PA Average \$90,000

- Low (up to \$5,500/month)
- Average (\$5,500 – 6,700/month)
- High (over \$6,700/month)



* Private Nursing Home Median Annual Rate, Genworth 2010 Financial Cost of Care Survey, Conducted by CareScout. 04/2010

How Does Long Term Care Insurance Work?

It provides a “pool of money” or Total Coverage Amount that can pay for long term care services when and where needed:



What Your Premium Can Buy...



* Based on \$3,000/month and the buy more coverage over time (FPO) benefit increase option

3 Plan Examples – Monthly Premiums for a 45-Year Old



* Premiums shown are case specific and depend on the plan designs and options available

Plan Example Summary – Age 45

	 LEVEL 1	 LEVEL 2	 LEVEL 3
PREMIUM	\$22.34	\$33.53	\$55.87
TOTAL COVERAGE	\$108,000	\$162,000	\$270,000
PAYS UP TO:			
• Facility Care	\$3,000/month	\$4,500/month	\$7,500/month
• Home Care	\$3,000/month	\$4,500/month	\$7,500/month

Level 1 Coverage



Choose Level 1 if you're concerned about...

- Selecting an affordable option to receive some coverage instead of none
- Being able to continue funding future needs such as college educations or retirement

\$22.34 Monthly Premium*

**\$108,000
Total Coverage**



~ 5 Years Home Care

OR

~ 3 Years Assisted Living

OR

~ 1 Year Nursing Facility

* Based on \$3,000/month and the buy more coverage over time (FPO) benefit increase option

Level 2 Coverage



Choose Level 2 if you're concerned about...

- Covering the most typical long term care needs
- Creating a good balance between coverage level and affordability

\$33.53
Monthly
Premium*

\$162,000
Total Coverage



~ 8 Years Home Care

OR

~ 5 Years Assisted Living

OR

~ 2 Years Nursing Facility

* Based on \$4,500/month and the buy more coverage over time (FPO) benefit increase option

Level 3 Coverage



Choose Level 3 if you're concerned about...

- Getting extensive coverage to cover most long term care scenarios you could reasonably encounter
- Your family history increasing your chances of experiencing an LTC need

**\$55.87
Monthly
Premium***

**\$270,000
Total Coverage**



~ 13 Years Home Care

OR

~ 8 Years Assisted Living

OR

~ 3 Years Nursing Facility

* Based on \$7,500/month and the buy more coverage over time (FPO) benefit increase option

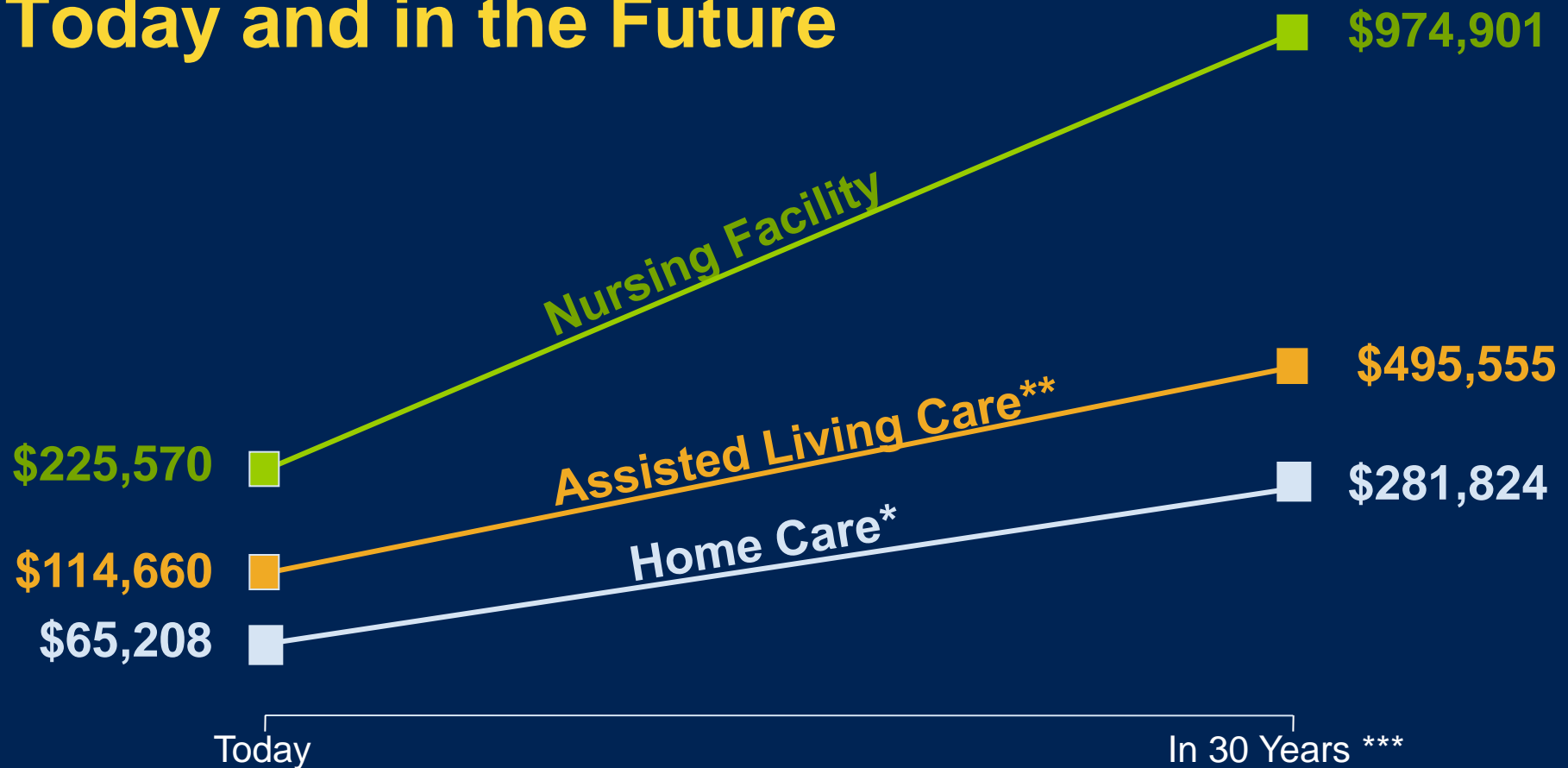
Keeping Your Coverage Meaningful in the Future

Today and near term, your plan will provide the coverage you need, but what about in the future?

How can you make sure your coverage keeps up with inflation?



Costs of Care Today and in the Future



* Based on 22 hours of homecare per week @ \$19 per hour

** Assisted Living Facility based on 1 Bedroom, Single Occupancy

*** Projected cost for 3 years of care in 30 years @ 5% annual inflation

All costs based on National Medians from Genworth 2010 Cost of Care Survey, conducted by CareScout. 04/2010

There Are 3 Ways to Increase Your Coverage for the Future

**\$108,000
TODAY**



Option #1

**Buy More
Coverage
Over time
(FPO)***

Option #2

**Automatic 3%
Compound
Increases for
Life**

Option #3

**Automatic 5%
Compound
Increases for Life**

* Future Purchase Options (FPO)

Benefit Increase Options - Age 45

Option #1

Buy more coverage
over time (FPO)

Can grow to:
~ \$522,466**

Can grow to
~ \$290,929*

- Premiums go up over time
- Costs less at issue

Option #2

Automatic
3% Increases for Life

Automatically
Grows to
~ \$339,192

- No decisions required
- Premiums stay level
- Less expensive compounding

Option #3

Automatic
5% Increases for Life

Automatically
Grows to
~ \$548,590

- No decisions required
- Premiums stay level
- Costs most at Issue

\$162,000 TODAY- Age 45

* If you accept FPO every 6 years to age 70

** If you accept FPO every 3 years to age 70

NOTE: Our Automatic Increase benefits are available as riders for an additional premium.

Who Is Eligible to Apply for This Program?

- Actively at work, full-time/part-time (regularly scheduled 20 hours) employees
- Employee's spouse or domestic partner under age 80
- Employee's (Step) Parents and (Step) Parents-in-law under age 80
- Employee's (Step) Grandparents and (Step) Grandparents-in-law under age 80
- Employee's adult and siblings under age 80*
- Retirees under age 80

* Not available in all states.

To be eligible, the person must maintain a permanent US residence, and have a valid Social Security Number or Tax Identification number from the US government.

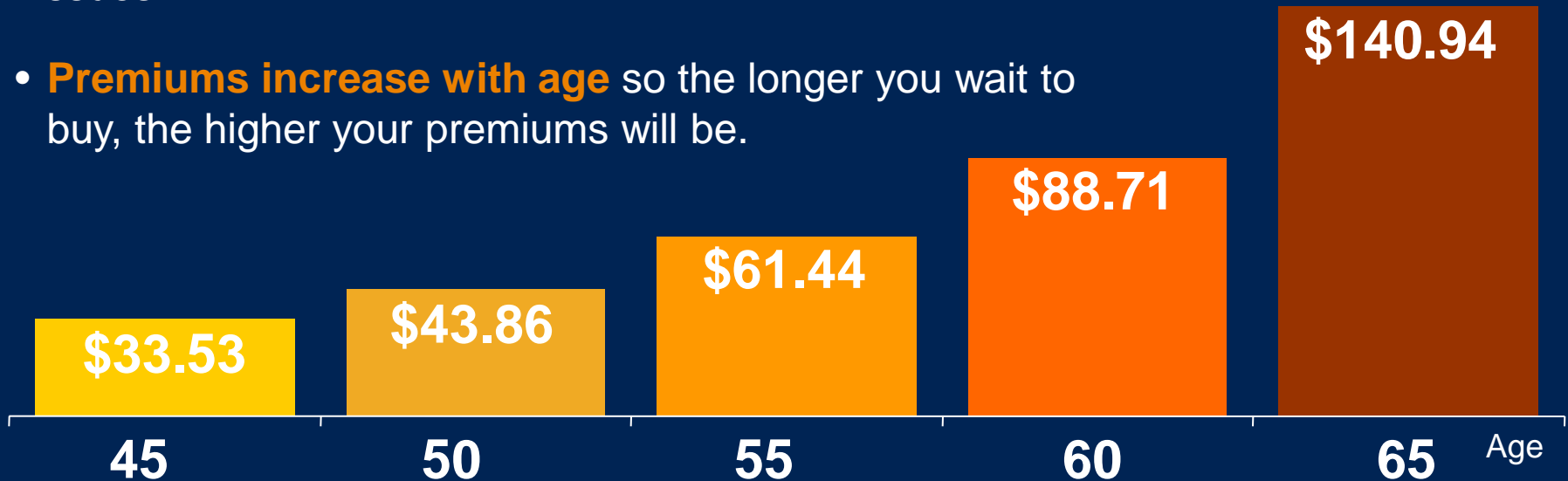
Underwriting

<p>During Initial Enrollment...</p>	
<p>Actively-at-work Employees to age 65</p>	<p>Guaranteed Issue Application (No Medical Questions or Pre-Ex)</p>
<ul style="list-style-type: none"> • Actively-at-work Employees age 66 – 69 • Employee’s spouse/partner to age 65 	<p>Short Form Application (4 Questions; Height & Weight; Physician Information)</p>
<ul style="list-style-type: none"> • Employees age 70+ • Employee’s spouse/partner age 66 – 79 • Employee’s family members age 18 – 79 • Retirees to age 79 	<p>Long Form Application (Full Medical Underwriting)</p>

Any insured with coverage under the prior plan may purchase coverage under the new plan with Modified Guaranteed Issue Simplified Application (one question).

Why Buy Now?

- Employees are eligible for **no underwriting** ONLY during their initial enrollment period.
- Spouses/domestic partners have **streamlined underwriting** ONLY during their initial enrollment period.
- If you postpone the decision to buy, you **may not qualify** due to future health issues.
- **Premiums increase with age** so the longer you wait to buy, the higher your premiums will be.



* Premium Chart based on Coverage Level 2

Key Advantages of This Program

- **Flexible choices** to match your needs
- **Spouses and other family members** 18-79 can also apply
- Pays for covered care in the **full range of settings**
- Care coordination is included at **no additional cost**
- This program is **fully portable**
- Up to a **5 year rate guarantee** *
- There is a **30 day free look**
- **Simple enrollment** by web or phone
- Premiums can be **payroll deducted, direct billed or electronic funds transfer**

* Not available in all states.



About Genworth

#1 Provider of Individual LTC Insurance*



Industry Leading Experience

- Over 36 Years of LTCI Experience
- Providing unparalleled service

Unmatched LTC Commitment

- AARP
- Alzheimer's Association

*LifePlans 2008 Long Term Care Individual and Group Writers Survey Results. Based on number of individual policies sold in 2008
Individual policies in-force as of 2008LifePlans

How to Sign Up – 3 Easy Choices

ABC COMPANY
Your Long Term Care Insurance Program
Underwritten by Genworth Life Insurance Company

Visit ABC's website. Home About Genworth Contact Us Log Out

Learning Center

How do I choose my coverage?
How can I keep up with the rising costs of care?
What happens when I need care?
What are the advantages?
What else is included in this program?
What care is not covered?

Announcements
Follow the steps below to customize a quote that can fit your budget.

How do I choose my coverage?
Like any important choice, you should let your personal priorities guide you. Three simple elements, weighed against your priorities, can help you with the answer...

- The Monthly Benefit:** The maximum amount the plan will pay for covered services each month.
- The Total Coverage Amount:** The total amount the plan will pay for covered services over the lifetime of the coverage.
- Benefit Increase Options:** How your Monthly Benefit and Total Coverage levels can increase over time to keep up with the rising costs of care.

You will get to make choices on all three, so read on to learn more about how you can select the coverage that's right for you.

next topic: How can I keep up with the rising costs of care?

Step 1: Get a quote | **Step 2: Customize plan** | **Step 3: Apply**

Your plan

Cost	\$19.38
	per month
Total Coverage	\$162,000
Monthly Benefit	\$4,500

[calculate the cost of waiting >](#)
[calculate self-insuring options >](#)
[view your group's contribution >](#)
[compare plans >](#)
[view plan details >](#)
[print or email quote >](#)

Customize your plan

Here is a place to start... Based on the amounts people typically spend on assisted living care in your area, a Monthly Benefit of \$4,500 and Total Coverage of \$162,000 have been pre-selected. Customize your coverage by adjusting the benefit sliders below.

Monthly Benefit | ?
How much does care cost in my area | ?
What is the cost of waiting | ?
\$1,500 | \$3,000 | \$4,500

Total Coverage | ?
How much Total Coverage do I need | ?
What if I invested instead of buying insurance | ?
\$162K | \$216K | \$270K

Benefit Increase Options | ?
Which benefit increase option is right for me | ?
 Coverage Over Time | ?
 Automatic 5% Increase for Life | ?
 Automatic 5% Increase for Life - Cost-Adjusted | ?

Discounts
How can I reduce my cost | ?
 Couples Discount | ?

Back | Next step: **Apply**

1

Choose a Monthly Benefit

2

Choose a Total Coverage Amount

3

Choose a Benefit Increase Option

Click here to apply

Next Steps...

Take advantage of the limited-time offer of no underwriting during this enrollment period:

March 28 – April 22, 2011

Apply on the Website:

genworth.com/groupltc

OR

Call Customer Service:

1 800.416.3624

Group Name: BU

Access code: groupltc

Talk to your spouse/domestic partner, parents, parents-in-law, and grandparents about this program. They are also eligible to apply up to age 80.

Details You Should Know

- There is no Return of Premium if you don't use the benefits
- Rates are designed and priced for long term stability-however they could increase
- There is an elimination or waiting period-works like a deductible
- Care not covered includes:

Care by immediate family member except informal care

Care for which no charge is made in the absence of insurance

Care by Veterans Administration or other government facility

Care outside US except as covered by the international benefit

Care resulting from alcoholism, drugs, war or act of war

Care covered by workers comp, occupational disease act or similar

- Non-duplication and coordination

Only pay for coverage amounts over and above Medicare, or other state programs except Medicaid
Won't, in combination with other long term care insurance, pay more than expenses incurred.

Important details are explained in the Outline of Coverage, available in your Information Kit or on the Bucknell University Group Long Term Care Insurance web site

Additional Disclosures

- **This insurance program is underwritten by Genworth Life Insurance Company**
- **Coverage is provided under policy form series 7046**
- **Coverage is intended to be tax qualified under IRS code 7702(B)**
- **State variations may apply. Refer to your outline of coverage for coverage definitions, benefits, features, exclusions and limitations.**
- **This material is part of a solicitation for Group Long Term Care Insurance**



AFFINITYLTC, LLC
Planning Today for Care Tomorrow®

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