

2012

Iowa

Long-Term Care Insurance Shopper's Guide

- Compare rates by age and benefits
- Check companies' previous rate increases
- Create a worksheet to help you compare the plans you like best



Iowa Insurance Division

Long-Term Care Insurance Shopper's Guide



April 2012

The Iowa Insurance Division is pleased to offer you this guide to Long-Term Care Insurance, which provides cost and rate history information that can be useful if you are shopping for a long-term care insurance policy.

This guide does not recommend a particular insurance company or policy. Several factors are part of any decision about the purchase of long-term care insurance, only one of which is price.

The Insurance Division can help you understand long-term care insurance issues. Just call our toll-free line at 877-955-1212 and ask to be connected with one of our long-term care specialists to get the answers you need to general questions you may have about such policies. We believe that well-informed consumers make better choices and are more likely to select coverage options that fit their individual needs.

Sincerely,

A handwritten signature in cursive script that reads "Susan E. Voss".

Susan E. Voss
Iowa Insurance Commissioner

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Long-Term Care Insurance Shopper's Guide

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The plans included in this shopper's guide are examples only. Long-term care plans are not standardized, and not all companies offer every plan we requested. Companies may have similar plans that aren't listed in the examples here. Not all features are listed for each plan in this guide. To learn all of a plan's details, read the outline of coverage for that policy.

This list is of companies that have individual long-term care coverage approved for issuance in Iowa. **This list may not be all-inclusive because some companies may have chosen not to be included in this guide or some may have been approved since publication.**

The rates provided in this guide are those submitted as the rates in effect December 1, 2011.

Chapter 1

About this guide

The plans quoted in this shopper's guide are similar, but they aren't identical to each other. Companies were asked to quote a basic plan without optional benefits, such as inflation protection or home health care. It will be important to read an outline of coverage for each policy to determine the specific benefits provided.

Tax benefits and Partnership plans

Tax-qualified plans

Tax-qualified plans allow you to deduct your long-term care insurance premium as a medical expense, and benefits received are income tax free. Iowa Long-Term Care Partnership plans must be tax qualified. The legislation necessary for the sale of partnership plans, designed for asset preservation consistent with the Deficit Reduction Act passed in Iowa in 2009. In most cases the cost for a nontax-qualified plan is the same as a tax-qualified plan, but the plan doesn't have the tax benefits.

Other factors to consider

Premium rates aren't the only facts to consider when buying insurance or changing insurance companies. You should also consider:

- **Service** — Some companies sell through local agents and some through direct marketing or group plans. You may want to find out how the company services its policyholders.
- **Licensing Status** — Call the Customer Assistance Hotline at 877-955-1212 to find out if a company is licensed to do business in Iowa.

- **Financial Stability** — Financial stability helps ensure a company can pay its claims. IID enforces statutory requirements and monitors the financial stability of companies licensed and operating in the state. You can check a company's financial rating by contacting one of these organizations:

Moody's Investor Services

212-553-0377

www.moody.com

Standard & Poor's Insurance Rating Services

212-438-7280

www.standardandpoors.com

A.M. Best Co.

800-424-2378

www.ambest.com

- **Rate stability** — A company's past history of rate increases is very important to consider. The company is required to give the consumer a personal worksheet with this detailed information.
- **Additional resources**— Senior Health Insurance Information Program (SHIIP)—a service of the Iowa Insurance Division. Provides free, confidential and objective long-term care insurance information and one-to-one assistance.

Call 1-800-351-4664 for the SHIIP site nearest you or to order SHIIP's Iowa Guide to Long-Term Care Insurance.

SHIIP

1-800-351-4664

www.therightcall.iowa.gov

Email: shiip@iid.state.ia.us

Chapter 1: About this guide

Purchase age and premiums

Use the comparison charts on pages 3 to 8 of this guide, find the approximate premiums for someone your age, then look at the column for the age nearest yours (55, 60, 65, 75, 79). All plans were priced with a daily benefit of \$100. The rates shown are annual premium amounts and have been rounded to the nearest dollar. Annual rates may be higher if you pay quarterly or by automatic bank draft. Premiums are subject to change.

Design the plan that's right for you

Use the comparison shopping list on the next pages to help you make an informed buying decision. Each example plan has a specific elimination period and benefit period. Use the chart below to find examples to fit your needs. The elimination period is the number of days you must pay for care before your benefit begins.

| | Elimination period | Benefit period | Page |
|----------------------------------|--------------------|----------------|------|
| Basic tax-qualified plans | | | |
| Example A | 20-30 days | 3 years | 3 |
| Example B | 90-100 days | 3 years | 4 |
| Example C | 20-30 days | 5 years | 5 |
| Example D | 90-100 days | 5 years | 6 |
| Example E | 20-30 days | lifetime | 7 |
| Example F | 90-100 days | lifetime | 8 |

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Example A

annual rates

Benefit plan design

- \$100 daily benefit
- 20- to 30-day elimination period (EP)
- Three-year benefit period

| Company | EP | Age | | | | | Policy Form |
|----------------------------------|----|---------|---------|---------|---------|---------|--------------|
| | | 55 | 60 | 65 | 75 | 79 | |
| Bankers Life & Casualty Company | 30 | \$856 | \$1,172 | \$1,692 | \$4,072 | \$5,848 | GRN650 |
| Transamerica | 30 | \$479 | \$663 | \$98 | \$2,667 | \$4,296 | ICC10-TLC-3 |
| Genworth | 30 | \$1,258 | \$1,634 | \$2,279 | \$5,888 | \$7,634 | 7052 |
| New York Life | 30 | \$822 | \$1,133 | \$1,676 | \$4,428 | \$6,638 | ILTC-5000 |
| Mutual of Omaha | 30 | \$789 | \$986 | \$1,454 | \$4,325 | \$6,761 | LTC09M |
| United of Omaha | 30 | \$805 | \$1,006 | \$1,483 | \$4,411 | \$6,896 | LTC09U |
| MedAmerica | 30 | \$592 | \$844 | \$1,259 | \$3,252 | \$4,241 | SPL2-336-IA |
| Physicians Mutual | 30 | \$784 | \$1,049 | \$1,498 | \$4,178 | \$566 | P146 |
| Massachusetts Mutual Life Ins Co | 30 | \$701 | \$957 | \$1,417 | \$3,937 | \$5,955 | MM500-P-1-IA |
| Country Life Insurance Company | 30 | \$686 | \$896 | \$1,364 | \$3,733 | \$5,212 | LTC-500 |

* \$100,000 Cash Benefit Account, \$3,000 monthly max

Example B

annual rates

Benefit plan design

- \$100 daily benefit
- 90- to 100-day elimination period (EP)
- Three-year benefit period

| Company | EP | Age | | | | | Policy Form |
|----------------------------------|----|---------|---------|---------|---------|---------|--------------|
| | | 55 | 60 | 65 | 75 | 79 | |
| Bankers Life & Casualty Company | 90 | \$732 | \$1,002 | \$1,446 | \$3,480 | \$4,998 | GRN650 |
| Transamerica | 90 | \$408 | \$564 | \$840 | \$2,270 | \$3,656 | ICC10-TLC-3 |
| Genworth | 90 | \$1,067 | \$1,385 | \$1,931 | \$4,990 | \$6,469 | 7052 |
| New York Life | 90 | \$563 | \$776 | \$1,148 | \$3,033 | \$4,645 | ILTC-5000 |
| Mutual of Omaha | 90 | \$631 | \$789 | \$1,164 | \$3,460 | \$5,409 | LTC09M |
| United of Omaha | 90 | \$644 | \$805 | \$1,187 | \$3,529 | \$5,517 | LTC09U |
| MedAmerica | 90 | \$515 | \$734 | \$1,094 | \$2,828 | \$3,688 | SPL2-336-IA |
| Physicians Mutual | 90 | \$679 | \$896 | \$1,281 | \$3,571 | \$4,843 | P146 |
| Massachusetts Mutual Life Ins Co | 90 | \$584 | \$798 | \$1,180 | \$3,281 | \$4,963 | MM500-P-1-IA |
| Country Life Insurance Company | 90 | \$586 | \$766 | \$1,166 | \$3,191 | \$4,454 | LTC-500 |

* \$100,000 Cash Benefit Account, \$3,000 monthly max

Example C

annual rates

Benefit plan design

- \$100 daily benefit
- 20- to 30-day elimination period (EP)
- Five-year benefit period

| Company | EP | Age | | | | | Policy Form |
|----------------------------------|----|---------|---------|---------|---------|---------|--------------|
| | | 55 | 60 | 65 | 75 | 79 | |
| Bankers Life & Casualty Company | 30 | \$1,151 | \$1,587 | \$2,289 | \$5,539 | \$7,975 | GRN650 |
| Transamerica | 30 | \$613 | \$850 | \$1,265 | \$3,417 | \$5,503 | ICC10-TLC-3 |
| Genworth | 30 | \$1,566 | \$2,183 | \$2,983 | \$7,641 | \$9,503 | 7052 |
| New York Life | 20 | \$1,017 | \$1,394 | \$2,052 | \$5,379 | \$8,066 | ILTC-5000 |
| Mutual of Omaha | 30 | \$1,048 | \$1,318 | \$1,961 | \$5,813 | \$9,310 | LTC09M |
| United of Omaha | 30 | \$1,069 | \$1,345 | \$2,000 | \$5,730 | \$9,496 | LTC09U |
| MedAmerica | 30 | \$849 | \$1,205 | \$1,801 | \$4,699 | \$6,140 | SPL2-336-IA |
| Physicians Mutual | 30 | \$1,002 | \$1,341 | \$1,916 | \$5,342 | \$7,245 | P146 |
| Massachusetts Mutual Life Ins Co | 30 | \$850 | \$1,160 | \$1,717 | \$4,771 | \$7,217 | MM500-P-1-IA |
| Country Life Insurance Company | 30 | \$860 | \$1,138 | \$1,754 | \$4,899 | \$6,851 | LTC-500 |

* \$200,000 Cash Benefit Account, \$3,000 monthly max

Example D

annual rates

Benefit plan design

- \$100 daily benefit
- 90- to 100-day elimination period (EP)
- Five-year benefit period

| Company | EP | Age | | | | | Policy Form |
|----------------------------------|----|---------|---------|---------|---------|---------|--------------|
| | | 55 | 60 | 65 | 75 | 79 | |
| Bankers Life & Casualty Company | 90 | \$984 | \$1,356 | \$1,956 | \$4,734 | \$6,816 | GRN650 |
| Transamerica | 90 | \$522 | \$723 | \$1,076 | \$2,908 | \$4,683 | ICC10-TLC-3 |
| Genworth | 90 | \$1,328 | \$1,850 | \$2,528 | \$6,475 | \$8,053 | 7052 |
| New York Life | 90 | \$697 | \$955 | \$1,406 | \$3,684 | \$5,525 | ILTC-5000 |
| Mutual of Omaha | 90 | \$838 | \$1,055 | \$1,569 | \$4,651 | \$7,448 | LTC09M |
| United of Omaha | 90 | \$855 | \$1,076 | \$1,600 | \$4,744 | \$7,597 | LTC09U |
| MedAmerica | 90 | \$738 | \$1,048 | \$1,566 | \$4,086 | \$5,339 | SPL2-336-IA |
| Physicians Mutual | 90 | \$857 | \$1,146 | \$1,637 | \$4,566 | \$6,192 | P146 |
| Massachusetts Mutual Life Ins Co | 90 | \$708 | \$966 | \$1,431 | \$3,976 | \$6,014 | MM500-P-1-IA |
| Country Life Insurance Company | 90 | \$735 | \$973 | \$1,499 | \$4,187 | \$5,855 | LTC-500 |

* \$200,000 Cash Benefit Account, \$3,000 monthly max

Example E

annual rates

Benefit plan design

- \$100 daily benefit
- 20- to 30-day elimination period (EP)
- lifetime benefit period

| Company | EP | Age | | | | | Policy Form |
|----------------------------------|-----|---------|---------|---------|----------|----------|--------------|
| | | 55 | 60 | 65 | 75 | 79 | |
| Bankers Life & Casualty Company | 30 | \$1,622 | \$2,236 | \$3,209 | \$7,617 | \$10,819 | GRN650 |
| Transamerica | 30 | \$874 | \$1,211 | \$1,810 | \$4,832 | \$7,541 | ICC10-TLC-3 |
| Genworth | 30 | \$2,560 | \$3,432 | \$4,367 | \$11,328 | \$14,446 | 7052 |
| New York Life | 20 | \$1,416 | \$1,927 | \$2,812 | \$7,327 | \$10,941 | ILTC-5000 |
| Mutual of Omaha | 30 | \$1,576 | \$1,983 | \$2,970 | \$8,552 | \$13,626 | LTC09M |
| United of Omaha | 30 | \$1,608 | \$2,023 | \$3,030 | \$8,724 | \$13,899 | LTC09U |
| MedAmerica | N/A | N/A | N/A | N/A | N/A | N/A | SPL2-336-IA |
| Physicians Mutual | N/A | N/A | N/A | N/A | N/A | N/A | P146 |
| Massachusetts Mutual Life Ins Co | 30 | \$1,338 | \$1,826 | \$2,703 | \$7,513 | \$11,365 | MM500-P-1-IA |
| Country Life Insurance Company | 30 | \$1,142 | \$1,524 | \$2,374 | \$6,845 | \$9,681 | LTC-500 |

Example F

annual rates

Benefit plan design

- \$100 daily benefit
- 90- to 100-day elimination period (EP)
- lifetime benefit period

| Company | EP | Age | | | | | Policy Form |
|----------------------------------|-----|---------|---------|---------|---------|----------|--------------|
| | | 55 | 60 | 65 | 75 | 79 | |
| Bankers Life & Casualty Company | 90 | \$1,410 | \$1,944 | \$2,790 | \$6,624 | \$9,408 | GRN650 |
| Transamerica | 90 | \$744 | \$1,031 | \$1,541 | \$4,112 | \$6,418 | ICC10-TLC-3 |
| Genworth | 90 | \$2,169 | \$2,909 | \$3,701 | \$9,600 | \$12,242 | 7052 |
| New York Life | 90 | \$970 | \$1,320 | \$1,924 | \$5,019 | \$7,494 | ILTC-5000 |
| Mutual of Omaha | 90 | \$1,261 | \$1,587 | \$2,376 | \$6,842 | \$10,901 | LTC09M |
| United of Omaha | 90 | \$1,286 | \$1,618 | \$2,424 | \$6,979 | \$11,119 | LTC09U |
| MedAmerica | N/A | N/A | N/A | N/A | N/A | N/A | SPL2-336-IA |
| Physicians Mutual | N/A | N/A | N/A | N/A | N/A | N/A | P146 |
| Massachusetts Mutual Life Ins Co | 90 | \$1,115 | \$1,522 | \$2,253 | \$6,261 | \$9,471 | MM500-P-1-IA |
| Country Life Insurance Company | 90 | \$976 | \$1,302 | \$2,029 | \$5,850 | \$8,274 | LTC-500 |

Shopping list

Comparison worksheet

| Policy features and benefits | Company 1 | Company 2 | Company 3 | Current policy |
|---|-----------|-----------|-----------|----------------|
| Price: How much would you pay each month or year? | | | | |
| Daily benefit limits: How much will the policy pay for each day of care in a nursing home? | | | | |
| for home health care? | | | | |
| for assisted living? | | | | |
| for alternate care? | | | | |
| Benefit period: How many years will the policy pay for nursing home care? | | | | |
| for home health care? | | | | |
| for assisted living? | | | | |
| for alternate care? | | | | |
| Elimination period: How many days will you wait before the policy starts paying? | | | | |
| Lifetime benefits: What is the maximum lifetime benefit for nursing home care? | | | | |
| for home health care? | | | | |
| for assisted living? | | | | |
| for alternate care? | | | | |
| What qualifies you for benefits: | | | | |
| • Doctor's certification? | | | | |
| • Inability to perform activities of daily living (ADLs)? | | | | |
| • Cognitive impairment | | | | |

Shopping list: Comparison worksheet

| Policy features and benefits | Company 1 | Company 2 | Company 3 | Current policy |
|---|-----------|-----------|-----------|----------------|
| Inflation protection: How will the benefit keep up with inflation? | | | | |
| What will be the daily benefit 10 years from now? | | | | |
| Health screening: Can a company reject your application because of poor health? | | | | |
| Exclusions: What isn't covered (other than standard exclusions allowed by law)? | | | | |
| Miscellaneous benefits: <ul style="list-style-type: none"> • Waiver of premium • Nonforfeiture • Discount when husband and wife buy together • Other | | | | |
| | | | | |
| | | | | |
| | | | | |
| The company: <ul style="list-style-type: none"> • How long has it been selling long-term care insurance? • Is it licensed to sell in Iowa? • Do you know anyone who has long-term care insurance with this company? | | | | |
| | | | | |
| | | | | |

Customer service numbers

| Company name | Customer service number |
|---|-------------------------|
| Bankers Life & Casualty Company | 800-231-9150 |
| Transamerica Life Insurance Company | 817-285-3452 |
| Genworth Life Insurance Company | 899-456-7766 |
| New York Life Insurance Company | 800-723-5555 |
| Mutual of Omaha Insurance Company | 800-775-6000 |
| Allianz Life Insurance Company of North America | 800-950-1962 |
| MedAmerica Insurance Company | 800-554-0327 |
| Northwestern Long Term Care Insurance Company | 877-582-6582 |
| Equitable Life & Casualty Insurance Company | 800-352-5170 |
| United of Omaha Life Insurance Company | 800-775-6000 |
| Minnesota Life Insurance Company | 800-643-5728 |
| Assurity Life Insurance Company | 800-276-7619 |
| Berkshire Life Insurance Company of America | 800-819-2468 |
| Physicians Mutual Insurance Company | 800-228-9100 |
| John Hancock Life Insurance Company | 888-877-6075 |
| Massachusetts Mutual Life Insurance Company | 800-272-2216 |
| CUNA Mutual Insurance Society | 800-356-2644 |

Companies shown in each example throughout this booklet are similar but not identical to each other because long-term care plans aren't standardized.

Not all features of each plan are listed in this guide. To learn all of a plan's details, read the outline of coverage for that policy.



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