



LAPRA

LOS ANGELES POLICE RELIEF ASSOCIATION, INC.

Long-term Care Insurance

Program Highlights

Active LAPRA Members



New Long-term Care Insurance

The Los Angeles Police Relief Association (LAPRA) is pleased to introduce a new long-term care (LTC) insurance program through Unum for active LAPRA members and eligible family members. Long-term care insurance helps pay for the care you need when you can no longer care for yourself and can help protect your family's financial future.

Long-term care is the type of care received by someone who needs assistance performing basic Activities of Daily Living (ADLs) or needs assistance because of severe cognitive impairment. But if you think long-term care insurance is something only for the golden years, think again. With 37 percent of long-term care services being used by people under 65¹, it's easy to see why people should consider it sooner. Need another reason? The younger you are when you buy long-term care insurance, the less expensive it is.

The Value of Long-term Care Insurance

LTC 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. LTC insurance also offers greater control over the type of care you will receive and where you receive it.

LTC insurance can also enhance your financial security. It helps protect your income, including pensions, 401(k)s, IRAs, investments, and personal savings, from being exhausted by long-term care costs.

1. Kaiser Commission on Medicaid and the uninsured, July 2006, with data from CMS National Health Accounts, 2006.

Long-term Care Insurance Terms

Activities of Daily Living (ADLs): includes eating, dressing, bathing, toileting, continence and transferring into and out of a bed, chair or wheelchair.

Benefit Amount: the maximum amount the policy will pay monthly.

Benefit Duration: the period of time coverage will remain in effect once you start to draw benefits.

Elimination Period: the number of days you must wait before benefits begin. The Elimination Period must only be satisfied once during the lifetime of the insured, but must be completed within a period of 730 consecutive days.

Inflation Protection: options that increase the value of benefits over time to keep pace with increasing costs of care.

Comprehensive Features and Services

Long-term care insurance provides comprehensive coverage to help you pay for the following types of care or facilities:

- Adult day care
- Home health care
- Homemaker services
- Hospice services
- Personal care
- Respite care
- Adult day care facility
- Alzheimer's facility
- Nursing facility
- Residential care facility
- Hospice facility

Core LTC Benefit for Active LAPRA Members

Effective July 1, 2012, active LAPRA members are automatically enrolled in the Core LTC benefit which provides a \$1,500 monthly benefit for facility or home care up to two years, after a 90-day elimination period with no inflation protection. The Core LTC benefit is paid 100 percent by LAPRA.

Optional Buy-up LTC Benefits Available

Because there is no one size fits all when it comes to LTC insurance, you have the opportunity to make personalized benefit selections in three key areas:

- **Monthly benefit amount:** You can choose between \$1,500 and \$8,500 in \$1,000 increments.
- **Benefit duration:** You can choose 2 years, 5 years or lifetime.
- **Inflation protection:** You can choose **no inflation**, **5% simple inflation** (monthly benefit amount increases each year on the coverage effective date by 5% of your original monthly benefit amount) or **5% compound inflation** (monthly benefit amount increases each year on your monthly benefit amount in effect on that date).

Delayed Effective Date

If you are absent from work because you are injured, sick, temporarily laid off, on suspension, or on a leave of absence, your long-term care coverage will not begin on your otherwise expected effective date.

Coverage for Eligible Family Members

Planning ahead for the possibility of needing long-term care makes sense. If you wait until you or a family member needs long-term care, options may be limited. Share this information with your eligible family members. If they apply and are approved for coverage by Unum, they can benefit from the protection and peace of mind that long-term care insurance can provide. Your eligible family members include your spouse or registered domestic partner, children, parents, parents-in-law, grandparents and siblings.



Initial Enrollment Period for LTC Insurance

The initial enrollment period for LTC insurance is **July 1—July 31, 2012**. During the initial enrollment period, active LAPRA members can take advantage of special underwriting guidelines that will not be available in the future. If you enroll for optional Buy-up LTC coverage during the initial enrollment period, you avoid the risk that an illness or condition may otherwise disqualify you from obtaining coverage at a later date. See **Medical Underwriting** on page 4 for more information.

LTC Plans

There are three LTC plans that you can choose from. For the plan you select, you will need to choose a monthly benefit amount and benefit duration. The Core LTC Benefit paid by LAPRA is Plan 1 with a \$1,500 monthly benefit amount and 2 years benefit duration.

Plan 1

Inflation Protection:	None
Monthly Benefit Amount:	\$1,500 to \$8,500
Benefit Duration:	2 years, 5 years or lifetime

Plan 2

Inflation Protection:	5% Simple Inflation
Monthly Benefit Amount:	\$1,500 to \$8,500
Benefit Duration:	2 years, 5 years or lifetime

Plan 3

Inflation Protection:	5% Compound Inflation
Monthly Benefit Amount:	\$1,500 to \$8,500
Benefit Duration:	2 years, 5 years or lifetime

Choosing a Monthly Benefit Amount

If you want your monthly benefit amount to approximately match the 2011 national average monthly cost of nursing home care, you may want to choose a monthly benefit amount of \$6,500². If you are able to pay a portion of the cost of care out of your own pocket or live in an area where the cost of care is lower than the national average, you may want to choose a monthly benefit amount less than \$6,500. On the other hand, you may want to choose a higher monthly benefit amount if you live in an area where the cost of care is higher than the national average.

Choosing a Benefit Duration

According to the U.S. Department of Health and Human Services, the average length of stay in a nursing home is 2.4 years.³ If you want a basic level of protection or you plan on paying out-of-pocket for a portion of your long-term care needs, you may wish to consider a 2 year benefit duration. Future advances in medical care could mean longer life expectancy and a greater chance of outliving your benefits. For this reason, you may wish to consider a 5 year benefit duration or lifetime benefit duration.

2. The 2011 MetLife Market Survey of Nursing Home, Assisted Living, Adult Day Services, and Home Care Costs, October 2011.

3. U.S. Department of Health and Human Services, "The National Nursing Home Survey: 1999 Summary. June 2002.

Medical Underwriting

LTC insurance is medically underwritten. Depending on the LTC coverage you elect, you may have to complete a Long Term Care Insurance Application (medical questionnaire). A medical questionnaire provides proof of your physical condition and/or other factual information affecting approval for LTC coverage. **During the initial enrollment period, you can elect a monthly benefit amount up to \$6,500 and a benefit duration of 2 years or 5 years as guaranteed issue, which means you do not have to complete a Long Term Care Insurance Application.**

You must complete a Long-term Care Insurance Application if you:

- Elect a monthly benefit amount of \$7,500 or \$8,500 and/or a lifetime benefit duration during the initial enrollment period or later.
- Apply for coverage or increase your coverage after the initial enrollment period.
- Drop Buy-up LTC coverage for any reason and re-apply at a later date.

Your application must be approved by Unum before coverage is effective.

Regardless of when an eligible family member applies for coverage, your eligible family member must always complete a Long-term Care Insurance Application and be approved by Unum before coverage is effective.

The effective date for any LTC coverage for you or eligible family members that requires completion of a Long Term Care Application is the latter of the date Unum approves your (or your family member's) application or October 1, 2012.

Enrolling for Long-term Care Insurance

Follow the step-by-step enrollment instructions on the insert titled **LAPRA Long-term Care Insurance Enrollment Instructions & Personalized Rates** included in your enrollment packet. You'll find enrollment instructions for you, your spouse or registered domestic partner and other eligible family members.

LTC Coverage for Members: A Long Term Care Active Member Benefit Election Form has been included in your packet. If you elect an LTC coverage option above the Core LTC benefit that is funded by LAPRA, complete this form and mail it to LAPRA in the return envelope included in your enrollment packet.

If you elect a monthly benefit amount of \$7,500 or \$8,500 and/or a lifetime benefit duration, you will also need to complete a Long Term Care Insurance Application which must be approved by Unum. Call LAPRA at **888-521-7721** to request an application. Your completed application should be returned to LAPRA.

LTC Coverage for Spouse/RDP*: You can calculate the cost of LTC coverage for your spouse/RDP using the **Spouse/RDP* LTC Premium Worksheet** included in your enrollment packet. To apply for coverage for your spouse/RDP*, call LAPRA at **888-252-7721** to request the necessary forms. Completed forms should be returned to LAPRA.

LTC Coverage for Other Family Members: Other eligible family members can apply for LTC coverage by calling Unum at **800-227-4165** to request the necessary forms. They can also go to the Unum LTC website at **w3.unum.com/enroll/LAPRA** to download the necessary forms. Completed forms should be returned to Unum at the address listed on the Unum application.

* Registered Domestic Partner



When You Retire

If you are a retired LAPRA member in good standing, and you are receiving a pension from the City of Los Angeles Department of Fire and Police Pensions, LAPRA will contribute \$7.53 per month toward the cost of your LTC coverage. You are responsible for paying the balance of the premium due each month in order to keep your LTC coverage in force. You can pay the balance of your monthly LTC premium through a deduction from your monthly pension.

If you are not eligible to receive a pension from the City of Los Angeles Department of Fire and Police Pensions and you wish to continue your LTC coverage, you will be responsible for 100% of the LTC premium. You can contact Unum to set up a direct billing arrangement to continue your LTC coverage when you are ready to retire.

Reminder: The initial enrollment period for long-term care insurance ends on July 31, 2012. If you elect Buy-up LTC coverage for yourself or coverage for your spouse or registered domestic partner, all completed forms must be mailed to LAPRA and postmarked on or before July 31, 2012.

Long-term Care Insurance Tools & Resources

Go online to: w3.unum.com/enroll/LAPRA

Visit the Unum long-term care insurance website for LAPRA members for long-term care insurance information, forms and an online premium calculator.

Call 800-227-4165

Talk to a Unum representative by phone to answer your long-term care insurance questions or to request enrollment forms for any eligible family members (other than spouse or domestic partner) who wish to apply for LTC insurance. Representatives are available Monday — Friday from 5:00 a.m. to 5:00 p.m. PST.



Go online to www.lapra.org

Visit the LTC page on the LAPRA website for general information about the LAPRA long-term care insurance program and forms.

You can also watch a short video about the LAPRA long-term care insurance program, or watch step-by-step instructional videos to help you complete the required long-term care insurance forms.

Call 888-252-7721

Talk to a LAPRA Benefits Representative by phone to request enrollment forms for a LAPRA member or spouse/RDP*.

* Registered Domestic Partner

This brochure is not intended to be a complete description of the long-term care insurance coverage available to active LAPRA members and eligible family members. The policy or provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. For complete details of coverage and availability, please refer to Group Master Policy GLTC04 or contact Unum at 800-227-4165.