



# FAQ's (Frequently Asked Questions) for Long Term Care Insurance Plans

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## **I. General Questions**

- 1. I am currently enrolled in the Aetna Long Term Care Insurance Plan. Why am I being offered an opportunity to replace my Aetna coverage with Prudential?** Since Aetna announced that they were no longer selling group long-term care insurance, the State of Ohio has been exploring options for this very important benefit. The long-term care insurance plan issued by Prudential and effective December 1, 2010, may be an attractive option for you to consider. You now have the opportunity to replace your Aetna long-term care insurance coverage with the new Prudential Long Term Care insurance plan underwritten by The Prudential Insurance Company of America (Prudential) without evidence of insurability (i.e., "proof of good health"). This new coverage offers you protection and competitive premiums based on your age when you first enrolled in your Aetna coverage.
- 2. Am I losing any of my current benefits?** No, you are not losing any of your current benefits. You are being given the choice to replace your Aetna long-term care insurance coverage with the new Prudential insurance plan with no changes to your Daily Benefit Maximum, Lifetime Maximum, or 90 Day Benefit Waiting/Elimination Period.
- 3. What do I need to do to transfer to the Prudential Long Term Care Insurance Plan?** If you want to transfer to the Prudential Long Term Care Insurance plan on a guarantee issue basis, complete the "Acceptance of Coverage Form" and return the form in the enclosed envelope **postmarked by Midnight, September 17, 2010**. This will allow you to replace your coverage at your original issue age, with no evidence of insurability required.
- 4. What happens if I do not return the "Acceptance of Coverage" Form by September 17, 2010?** You are under no obligation to replace your Aetna Long Term Care Insurance coverage. If you do not

return the "Acceptance of Coverage" Form with a postmark on or before September 17, 2010, your coverage with Aetna will remain in-force, and you will be billed directly by Aetna for the premiums. Additionally, no further long-term care insurance plan enhancements will be offered to you by Aetna in the future.

5. **Who can I call if I have questions about the Prudential Long Term Care Insurance Plan or this mailing?** Please call the Prudential Long Term Care Customer Service Center at 800-732-0416 between the hours of 8 a.m. and 8 p.m. ET, Monday through Friday.
6. **As a benefit recipient insured under the current State of Ohio Long Term Care Insurance plan underwritten and administered by Aetna, am I eligible to replace my Aetna coverage?** Yes. If you are currently insured under the Aetna Long Term Care Insurance Plan you are eligible to replace your coverage at your current benefit levels with a Prudential Long Term Care Insurance plan without evidence of insurability.
7. **I have been determined to be eligible for benefits under the Aetna Long Term Care plan, and I am currently satisfying my Benefit Waiting/Elimination Period. Can I replace my Aetna coverage with the Prudential Long Term Care Insurance plan?** No. Any insured participant who is currently receiving benefits from Aetna, or who is satisfying the Benefit Waiting/Elimination Period, will remain insured with Aetna.

**Please Note: Insureds are under no obligation to transfer to Prudential and decisions to do so should be based on an assessment of the insured's own individual needs and personal requirements.**

## **II. Transfer Plan Questions**

1. **(note – this will not apply to all insureds as some are in the Aetna Service plan)The Aetna Long Term Care Plan is a Disability Model; Prudential's LTC Plan is a Service Model. What is the difference?** Aetna's Disability Model plan provides automatic cash benefit payments upon meeting the Benefit Eligibility definition, meaning that once you meet the Benefits Eligibility criteria, you can receive a cash payment up to the daily benefit amount from the plan regardless of what your actual long-term care expenses are. The amount paid depends on place of residence – i.e., at home, in an assisted living facility or in a nursing home. Prudential's Service Reimbursement plan pays a benefit equal to the lesser of the qualified long-term care expenses you incur or the applicable Daily Benefit Maximum for nursing home, assisted living/residential care facility, or home care. This means that you will need to submit receipts for expenses incurred in order to receive a payment under the plan. However, Prudential's Cash Alternative can be used in lieu of submitting bills for reimbursement. The cash alternative benefit is paid on a monthly basis, without regard to expenses incurred, and is calculated at 50% of the home care benefit (home care benefit amount x 50% x 30 days per month). Once benefit eligibility has been determined and you have satisfied the Benefit Waiting/Elimination Period, you have the option each month of electing the Cash Alternative benefit, or submitting bills for eligible charges to be reimbursed. An advantage of this model from a participant perspective is that it can be used to pay informal caregivers (e.g., family members) instead of licensed professionals, thereby potentially stretching your benefit dollars over a longer period of time.
2. **Can I transfer to the Prudential Long Term Care Insurance plan without a change to my Daily Benefit Maximum, Lifetime Maximum or 90 day Benefit Waiting/Elimination Period?** Yes, you can

transfer to the new Insurance Plan and keep your current Daily Benefit Maximum, Lifetime Maximum, and 90 day Benefit Waiting/Elimination Period.

3. **If I currently have a 50% or 80% Assisted Living Facility benefit will it change?** No, your Assisted Living Facility benefit will remain the same (50%, 80%, or 100% depending on the plan the insured is enrolled in with Aetna).
4. **I currently have a non-forfeiture benefit with my Aetna coverage. Will a non-forfeiture benefit be available under the Prudential LTC plan?** Yes. If your current Aetna coverage includes a non-forfeiture benefit, the base quote that you are receiving from Prudential also includes a non-forfeiture benefit although it is different than the Aetna non-forfeiture benefit. (For a description of both the Aetna and Prudential non-forfeiture benefits, please refer to the Comparison of Long-Term Care Insurance Plans for State of Ohio insureds.) Please note that the benefit payable under the Prudential Non-Forfeiture Shortened Benefit Period will be **based on the duration since issue of and premiums paid under the Prudential Insurance Plan only**. That is, the period of time that Aetna coverage was in effect and the premiums that you paid to Aetna will not be taken into consideration.
5. **I currently do not have a non-forfeiture benefit with my Aetna coverage. Can I add a non-forfeiture benefit under the Prudential Plan?** Yes. A Non-Forfeiture Benefit is available to add as an option under the Prudential Plan. There is an additional cost for this benefit. **Also, at this time any increase in coverage will be subject to approval via evidence of insurability. Please call Prudential's Customer Service Center at 800-732-0416 for further information.**
6. **Is there a Return of Contribution Upon Death Benefit available under the Prudential Long Term Care Insurance plan?** Yes. The Return of Contribution Upon Death Benefit feature is included only if it's in your current plan with Aetna. Please note that if you have the Return of Contribution Upon Death Benefit under the Aetna plan, the quote you are receiving from Prudential also includes a Return of Contribution Upon Death Benefit. **However, the benefit payable under the Prudential Return of Contribution Upon Death Benefit will be based on the premiums paid under the Prudential Insurance Plan only**. That is, the premiums you paid to Aetna will not be taken into consideration. Please note that the Return of Contribution Upon Death Benefit reduces by 10% a year beginning at age 65 and reduces to zero at age 75.
8. **Currently, Aetna offers me the opportunity to purchase additional coverage periodically to help keep pace with inflation** (For a description of the Aetna Inflation offer, please refer to the Comparison of Long-Term Care Insurance Plans for State of Ohio insureds. Will these offers continue under the Prudential Long Term Care Insurance plan? Yes, Prudential will continue to offer the opportunity to purchase additional coverage through periodic inflation offers without evidence of good health. However, the offers will be made every three years, based on the contract anniversary date of July 1, 2010. The first periodic inflation offer would be effective July 1, 2013. Please note, Aetna will also continue to offer their periodic inflation offers as outlined in the insured's Aetna Certificate of Coverage.
9. **Many of the materials include a footnote "Not available in all States"; what does this mean?** Prudential's goal is to assure there is maximum uniformity in the benefit package available to State of Ohio insureds, benefits recipients and their qualified family members. Because some states require their own package of benefits and features to be offered to their residents, we may have to slightly modify the basic plan for residents of those states.

10. **Once I enroll in the plan, can I change my direct billing payment modality** to take advantage of the semi-annual or annual payment discount? Yes, you can change your mode of payment at any time by calling Prudential's Customer Service Center at 800-732-416. Direct billing is available on a quarterly, semi-annual or annual basis. If you chose to pay premium via direct billing, there is a 1% discount applied for semi-annual payment, and a 5% discount for annual payment. A monthly payment can be made via an electronic funds transfer (EFT) from your checking account.
11. **I live outside of the United States. Does the Prudential Long Term Care Insurance plan provide coverage for me?** Yes, the International Coverage Benefit provides for reimbursement payable at 75% of the daily benefit for nursing home stays and 75% of the daily benefit for home care received outside the United States for up to 365 days. After receiving 365 days of coverage, the plan does not reimburse for services rendered outside the United States. The insured may use their Cash Alternative Benefit after exhausting their 365 days of International Coverage Benefits or return to the United States for additional reimbursed care.
12. **My Aetna coverage contains some exclusions. Will this be true of the Prudential coverage?** Yes, although the exclusions have some differences. Please refer to the Comparison of Long Term Care Insurance Plans that is included in this package.
13. **Can I use this as an opportunity to increase my coverage or add Automatic Inflation?** Yes. You may increase your Daily Benefit Maximum, Lifetime Maximum, add Automatic Inflation Protection, add Non-Forfeiture Shortened Benefit Period, or any combination of these coverage options. **Any increases, however, will be subject to providing evidence of good health** at this time. Employees can also call Prudential's Customer Service Center at 800-732-0416 with any questions. Note - in the fall of 2011 (TBD) we will have an open enrollment and enroll actively at work State of Ohio members to increase their coverage on a guarantee issue basis. A separate mailing will be sent when this offer is made available.

### III. Other Questions

1. How will I be able to learn more about this valuable coverage during the transfer acceptance period? You will be able to call our answer desk from 8am-8pm EST Monday-Friday. The toll-free number is 800-732-0416.
2. During this period are there any tools to help me explain this product to my other family members? We will be arranging a series of webinars (Date and times TBD). A "webinar" is a combination between a live conference call and a computer based visual presentation. Members, benefits recipients and their family members will be able to dial in to a toll-free number and log on to a dedicated url to attend a live meeting.

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7/13/2010