

Responding to Employee Needs



MetLife[®]

a simple solution
to a very serious matter



A simple and affordable solution to a very serious business matter

In today's competitive labor market, a strong benefits package is one of the most effective tools you can use to attract and retain qualified employees. Not only does it raise the overall value of compensation, but it helps promote loyalty, peace of mind and a sense of well-being among your workforce.

It's likely that you offer health and life insurance as well as a retirement program that encourages your employees to save for the future. But did you know that there's another important benefit you should be offering? From start-ups to Fortune 500 companies, employers across the country are already making it available — and it promises to be an essential part of every employee package in the near future. That benefit is Long-Term Care Insurance.

For many employers, Long-Term Care Insurance is the cornerstone of a solid benefits package because it offers employees an affordable way to help protect the retirement savings you've helped them build.



What is long-term care?

Long-term care is different from medical care. Typically, it's not provided by doctors and isn't designed to cure an illness. Instead it's the kind of care that would be necessary when a person is unable to independently perform daily activities such as eating, bathing and dressing. Many people of all ages need long-term care due to a disabling injury, chronic illness or cognitive impairment.

• Not a Deposit or Other Obligation of Bank • Not FDIC-Insured • Not Insured by Any Federal Government Agency • Not Issued, Guaranteed or Underwritten by Bank or FDIC • Not a Condition to the Provision or Term of Any Banking Service or Activity • Policy is an Obligation of the Issuing Insurance Company

Why Long-Term Care may be a serious matter for you and your employees

A look at today's working caregivers

In one important study done by the MetLife Mature Market Institute,¹ those surveyed said they made at least one formal adjustment to their work schedule as a result of caring for a partner or other family member:

- 16% quit their job
- 20% cut back to part-time
- 22% took a leave of absence

They also stated that caregiving affected their ability to advance on the job:

- 29% passed up a promotion, training or assignment
- 25% passed up an opportunity for job transfer or job relocation
- 22% were unable to acquire new job skills

What do these numbers mean for you? Chances are, one or more of your employees is facing long-term care issues right now. They're acutely aware of what long-term care costs can do to one's life savings and are looking for a way to help protect their own futures.

Act today!

Facing your employees' concerns

According to the MetLife Study of Employee Benefit Trends, nearly half (49%) of employees age 41-50 are very concerned about providing for their own long-term care needs.²

In a nationwide study conducted by Aon Consulting, long-term care insurance was the top voluntary benefit (26%) that employees are requesting, but currently aren't offered by many employers.³

How you can help

The costs associated with long-term care may put every employee in your organization at risk one day. You can help lessen that risk right now by educating and encouraging them to plan ahead. Making the protection of MetLife's Long-Term Care Insurance available to them is a big step in the right direction.

MetLife makes it easy

Including Long-Term Care Insurance from MetLife as a voluntary or employer-paid offering is easy. We bring you a level of experience and expertise that makes us exceptionally qualified in the employer-sponsored Long-Term Care Insurance business, making your job easier.

¹ MetLife Mature Market Institute, "MetLife Juggling Act Study: Balancing caregiving with work and the costs involved," 1999.

² MetLife, "Study of Employee Benefits Trends: Findings from the National Survey of Employers and Employees," 2006.

³ Aon Consulting, "What's Hot and What's Not in Voluntary Benefits," Study 2006.

Five important reasons to offer your employees Long-Term Care Insurance

1.

Take advantage of tax benefits. Generally, benefits from employee-paid tax qualified plans are not included in employees taxable income. Under the Health Insurance Portability & Accountability Act ("HIPAA"), when a C-Corporation pays the premium on tax qualified Long-Term Care Insurance for employees, their spouses and dependents, the C-Corporation may be able to deduct the full premium as a reasonable business expense, regardless of whether the employee has ownership in the business.

2.

Quality coverage as employer-paid or voluntary benefit. Whether you choose to have Long-Term Care Insurance as a voluntary benefit, which your employees pay for, or you select your top employees and pay their premiums, you're giving your employees access to quality coverage that helps them protect their financial future.

3.

Get the best talent. Keep the best talent. A benefits package that offers MetLife Long-Term Care Insurance is likely to give you a competitive advantage in today's tight labor market. If trends continue, this sort of coverage may increasingly be viewed as essential, and for that reason alone, it's wise to begin making it available now.

4.

Show that you understand and are responsive to your employees' needs. When MetLife Long-Term Care Insurance is offered through an employer, the policies are available to spouses, adult children 18 and older, parents, parents-in-law, step-parents, grandparents, step-grandparents and grandparents-in-law of its employees and retirees.

5.

Improve your bottom line. When all is said and done, offering your employees an effective way to manage long-term care costs helps them focus on their careers, which can have a positive effect on your company's bottom line.

Note: There may be implications under the Employee Retirement Income Security Act ("ERISA") depending on how Long-Term Care Insurance policies are made available to the employees and whether such an arrangement constitutes an "employee benefit plan" under ERISA. Employers should consult their own tax and legal advisors for further information on potential ERISA implications.

Pursuant to IRS Circular 230: The information contained in this document is not intended to and cannot be used by anyone to avoid IRS penalties. You should seek advice based on your particular circumstances from your independent tax advisor.

Subject to state availability, Metropolitan Life Insurance Company ("MetLife") individual Long-Term Care ("LTC") Insurance coverage is offered by the following MetLife policies: LTC2-VAL, LTC2-IDEAL, LTC2-PREM, LTC2-FAC, and LTC2007. In some states, these identifiers may be followed by the state's 2-letter abbreviation; "ML" for Multi-Life; and/or "P" for Partnership policies.

MetLife's LTC Insurance policies are guaranteed renewable and, like most LTC insurance policies cannot be cancelled due to an increase in your age or a change in your health. Premium rates can be raised as the result of a rate increase made on a class-basis. Like most LTC Insurance policies, MetLife's policies contain certain exclusions, limitations, elimination periods, reductions of benefits and terms for keeping them in-force. Ask about complete costs and details.

MetLife®

Metropolitan Life Insurance Company
New York, NY 10166

0705-4763 ORDER NUMBER LTC04231(1107)
L08071792(exp 1208)

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