



*Fortify Your Employees'
Financial Future with Long
Term Care Insurance*

Simplicity[†]

MEDAmerica

An Excellus Company

†SimplicitySM and CareDirections Simplicity[®] are long term care insurance products of MedAmerica Insurance Company, MedAmerica Insurance Company of New York, and MedAmerica Insurance Company of Florida.

Simplicity⁺

We've taken the complexity out of long term care insurance with a product that pays CASH and worksite programs that make it EASY to offer long term care insurance to your employees.

Choice & Control

Each year millions of Americans become disabled due to injury, chronic medical conditions, or simply through the aging process.

For most, the need for care will extend beyond hospitalization or rehabilitation. And for the first time, they'll need assistance doing the everyday things they've always taken for granted.

The emotional impact of compromised health takes a heavy toll. And since health and disability insurance do not typically cover extended care in or outside the home, the financial toll can be even greater.

It's especially difficult for those who thought they were prepared and didn't even realize their financial future was at risk.

But there is a simple solution. Long term care insurance helps people protect their life savings and safeguard their independence. It gives your employees choice and control regarding who will provide the care they need and where they will receive it.

Long Term Care— the Risk You Share

The number of employers sponsoring a long term care program increased 24% in 2007.¹

Why has long term care insurance become so important to so many employers and their employees?

Because they realize it's a risk that affects the health of both employees and their companies.

Understanding the Facts

The Risk is Real

- 40% of people currently receiving long term care services are adults 18 to 64 years old.²
- About 60% of individuals over age 65 will require some type of long term care during their lifetime.³

The Cost is High

- The national average hourly rate for a health aide is \$19. People who need the non-medical home care services they provide generally use between 22 and 44 hours per week, translating into an annual expense of \$22,000 to \$44,000.⁴
- The out-of-pocket cost of caring for an aging parent or spouse averages \$5,500 a year, a sum that is more than the average American household spends annually on health care and entertainment combined.⁵

And Beyond Assets

- About one-third of people who provide care to their frail older spouses describe their health as only fair or poor. More than one in five have at least some disabilities, and about one in six suffer from poor mental health, as measured by the presence of depressive symptoms.⁶
- Approximately two-thirds of older adults with functional impairments received all or most of the assistance they needed from unpaid caregivers—typically family and friends—while living in the community.⁷

Advice for Employers

- As younger buyers purchase long term care insurance policies, they view the protection as part of a broader retirement process.⁸
- Offering long term care insurance is an easy, affordable way to protect your employees and their families against the risk of needing long term care services.
- By providing leading-edge employee benefits you demonstrate your leadership, show that you value your workforce, optimize retention of key employees, and help secure and complete your employees' future retirement plans.

Protecting Your Employees Now and in the Future.

Helping your Employees Face an Uncertain Future.

As a responsible employer, you already take steps to protect your employees. Chances are, you offer a 401(k) plan and other programs to help them prepare for retirement. But without long term care insurance, they risk depleting the assets they've worked so hard to build. With neither health insurance, disability insurance nor Medicare designed to provide coverage, the cost and responsibility of meeting care needs falls to the employee and/or their family.

And while that risk may seem far in the future for your employees, as an employer, you need to be aware that in the short term, many of them will face long term care

issues as they become caregivers to parents and other family members. In fact, elder care is expected to replace childcare as the #1 dependent concern for employees. With long term care issues weighing heavily on employees, you can champion a solution that can be of little or no cost to you.

Yes, there's an intelligent and affordable solution to help fortify the financial security of everyone touched by the need for long term care services: Simplicity long term care insurance—*the highest-rated LTCi product on the market today.*⁹

You don't have to be an insurance expert to choose Simplicity. Everyone understands cash, and that's what Simplicity provides.

Yes, Simplicity pays a monthly cash benefit regardless of services used or amounts spent. An eligible policyholder can use their monthly cash benefit for care as they choose—whatever they need from whomever they want, wherever they are, anywhere in the world—without policy restrictions or limitations.

You can help your employees and their families

prepare for the unexpected today and secure their financial future for tomorrow by providing them with long term care insurance so flexible that when the need for coverage arises, there are no questions as to what's covered. Through Simplicity, employees can have coverage to fit their lifestyle, rather than change their lifestyle to fit their coverage.

Intelligent & Affordable

In the long run, what benefits your employees benefits you.

In today's business climate, each individual employee is critical to your company's overall success. Therefore, attracting and retaining first-rate employees is the key to remaining competitive. Life, health and disability insurance, and a 401(k) plan just aren't enough anymore. To truly show your loyalty to your workers, you need to make sure there are no holes in their financial planning—no pitfalls that could undo years of hard work. Even in times of corporate belt-tightening, particularly around employee benefits, long term care insurance can be provided at little or no cost to the employer. Offering long term care insurance lets you demonstrate your leadership and show the extent of your commitment to your staff. It can give your company a point of difference that's meaningful to both existing and prospective employees. And most of all, it's simply the right thing to do.

There's an intelligent and affordable solution to help fortify the financial security of everyone touched by the need for long term care services: Simplicity long term care insurance—the highest-rated product on the market today!

We'll work with you to create a plan that's right for your company.

- We're committed to helping you put your employees on solid ground. That's why we offer flexible alternatives designed to meet your specific needs—no matter what your budget or business philosophy.
- Adding an employer-sponsored long term care program to your benefit package can be done with very little administrative effort and at *no cost to you*.
- Our communication program is easily customized to fit your company, focusing on educating your employees so that they become informed consumers.

Flexible Plans Allow You to Meet Your Business Objectives

Employer-Paid Base Plan with Employee Buy-Up Provision

Employer-paid programs offer a low-cost way to maximize employee participation and retention. What's more, these programs can provide both you and your employees favorable tax advantages such as tax-deductible premiums and tax-free benefits.

With an employer-paid program, you can:

- Select a 100% employer-paid base plan for all employees.
 - Select a 100% employer-paid base plan for employees based on years of service, age, or a combination of the two.
 - Predetermine the percentage of contribution for all or some of your employees.
 - Custom design a plan to meet your budget and needs.
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KeySelect Program

Our KeySelect Program offers an attractive way to provide enhanced benefits to officers, executives, board members and other key contributors because:

- The plan is not subject to discrimination testing under IRC105(b) so you can select the participants in the program.
 - Premiums may be tax deductible as a business expense. There is no imputed income to the employee.
 - Benefits are tax-free.
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Voluntary Employee-Paid Plan

If your company does not elect to offer a 100% paid benefit, you can still contribute a percent of premium or a flat amount. Even if there is no contribution, offering a long term care insurance program is still important.

- Provides an opportunity to educate your employees on important issues related to long term care.
- Gives employees and their extended family members the opportunity to purchase at group rates.
- Allows them to take advantage of favorable medical underwriting.
- Gives the employee an opportunity to purchase at younger ages, making the premium most affordable.

Act now.

Why do Employers Choose MedAmerica?

Clearly, more and more employers are recognizing the tangible and intangible benefits of fortifying their benefit programs designed to improve the quality of their employees' lives. And there's no one better able to help you implement a quality LTCi program than MedAmerica, an industry leader. Insurer of choice for several state employers, Fortune 500 companies, and employers of all sizes, MedAmerica offers the highest quality product backed by these solid credentials:

- Underwrites and insures LTC exclusively.
- No rate increases in our history as an insurer.
- Solid financial ratings.
- Paid more than \$175 million in claims.

Call your Agent or Broker today to create a long term care insurance program that's perfect for your business. Do it now. Every minute that you wait puts your employees needlessly at risk.

¹ "The Marketer," Vol. 14, No. 3, 2007, LIMRA International.

² National Clearinghouse for Long Term Care Information, www.longtermcare.gov, U.S. Department of Health & Human Services, Administration on Aging, November 4, 2007.

³ Ibid.

⁴ MedAmerica National Home Health Cost of Care Survey 2007, MedAmerica Insurance Company, February 12, 2007.

⁵ Gross, Jane, "Study Finds Higher Costs for Caregivers of the Elderly," The New York Times, November 19, 2007.

⁶ Johnson, Richard W. & Joshua M. Wiener, *A Profile of Older Americans and Their Caregivers*, The Retirement Project, Urban Institute, February 2006.

⁷ Alexih, Lisa, *Nursing Home Use by "Oldest Old" Sharply Declines*, The Lewin Group, National Press Club, November 21, 2006.

⁸ *Who Buys Long-Term Care Insurance?: A 15-Year Study of Buyers and Non-Buyers, 1990-2005*, Prepared for America's Health Insurance Plans by LifePlans, Inc., April 2007.

⁹ SellingLTC.com



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