

Long-Term Care Insurance

## Employer Highlighter



# Prudential LTC3<sup>SM</sup> Empl

**Program Overview:** Prudential's Employer Sponsored Program (ESP) can be the cornerstone of a solid benefits package for companies of any size—including small businesses with as few as two eligible employees. Offering individual long-term care insurance to employees can help your company to attract and retain personnel, and to increase productivity by helping employees to remain focused on their work.

Coverage, options and discounts can be offered to actively-at-work Employees and their actively-at-work Spouses/ Partners aged 18–65, with simplified underwriting for eligible program participants.\* Employees aged 66–79 and Other Family Members may also be eligible for a discount but must be fully underwritten. Eligible family members include: Parents; Parents-in-law; Grandparents; Grandparents-in-law; Siblings; Aunts; Uncles; and Children age 18 and older.

*\*See Simplified Underwriting eligibility criteria to the right*

## Benefit Plan Options with Simplified Underwriting

### ✓ Daily Benefit

Available with either voluntary or Employer paid plans:

- \$50 to \$300 (purchased in \$10 increments) with a 50%, 75%, 100%, or 150% **Home Care Daily Benefit** (150% available up to \$200)

### ✓ Benefit Periods

Choice of one per benefit plan:

- 2 years, 3 years, 4 years, 5 years, or 6 years\*

*\*Availability may vary by state.*

### ✓ Inflation Protection Options\*

Choice of one per benefit plan:

- None, Guaranteed Purchase Option Rider, 3% Compound Inflation Rider - No Maximum, 5% Compound Inflation Rider - 2X Maximum, or 5% Compound Inflation Rider - No Maximum

*\*Availability may vary by state.*

### ✓ Benefit Payment Options

Choice of one per benefit plan:

- Daily Benefit, Monthly Benefit Rider, Flexible Cash Benefit Rider, or Cash Benefit Rider

### ✓ Calendar Day Elimination Period Options\*

Choice of one per benefit plan:

- 60, 90, 120, 180, or 365 days

*\*Availability may vary by state. Florida does not permit elimination periods greater than 180 days.*

### ✓ Optional Riders

With exceptions as noted, Employer may select any of these options:

- Limited Payment\*
  - > Paid Up at Age 65<sup>1</sup>
  - > 10 Year Paid Up<sup>2</sup>
  - > Premium Reduction at Age 65<sup>3</sup>
- Shared Care Rider
- Return of Premium Upon Death Rider
- Flexible Cash Benefit Rider
- Non-forfeiture - Shortened Benefit Period
- Survivor Waiver of Premium

*\*Availability may vary by state. FL only permits Lifetime Premium Payment Options to its residents.*

1. Paid Up at Age 65 not available to applicants age 55 and older.

2. 10 Year Paid Up: Client must be between ages of 40 and 75.

3. Premium Reduction at Age 65 not available to applicants age 60 and older.

## Buy Up Options With Full Underwriting

- Facility Daily Benefit more than \$300
- Home Care Daily Benefit of 150% and Facility Daily Benefit of \$200+
- 30-Day Elimination Period
- Joint Waiver of Premium

- 10-Year Benefit Period
- Unlimited Benefit Period
- Waiver of Elimination Period for Home Care

*Please note: Unlimited Lifetime Maximum Benefit is not available in combination with the Cash Benefit Option with LTC3.*

# Employer Sponsored Program

## Plan Parameters

### Advantages Of Offering Individual Long-Term Care Insurance

#### Employer

- Enhances your benefits program; helps attract and retain Employees
- Company contributions toward Employee premiums are tax-deductible\* and are not taxable to the Employee
- Increases productivity for Employees who become caregivers for covered family members
- Easy to administer, turnkey program

#### Employee

- Employee owns the policy which is fully portable
- Benefits received are not taxable to the Employee
- Long-term care coverage helps to protect Employee pension, savings, assets and family providers

*\*Rules vary. Prudential does not render tax advice. Please consult your tax advisor.*

### Employer Payment Options

- Key Employee Carveout
- 100% Employer Pay
- Partial Employer Pay
- 100% Employee Pay - Voluntary

### Program Discounts

- 5% Group Discount for Employees, Spouses/Partners, and Other Family Members
- Additional discounts for applicants who are married/domestic partners:\*\*\*
  - > 15% with the purchase of one policy
  - > 30% with the purchase of two policies

*\*\*Availability may vary by state.*

### Participant Eligibility/Requirements

- All Employees aged 18–65 working 25+ hours per week
- Spouses, Partners\*\*, and Other Family Members

### For Employer Groups with 2 to 6 eligible Employees

- There is no minimum participation; the premium discount will be applied even if only 1 policy gets issued
- Full Underwriting only
- Direct Billing only

### For Employer Groups with 7 to 200 eligible Employees

- 7 or more Employees must be issued for simplified underwriting\*\*\*

### For Employer Groups with 201 or more eligible Employees

- 4% or more of eligible Employees must be issued for simplified underwriting\*\*\*

*\*\*Availability may vary by state.*

*\*\*\*Policies issued to Spouses/Partners and Other Family Members do not count toward this minimum.*

### Simplified Underwriting

#### Eligible Employees

- Issue ages 18–65
- Purchase within the 60 Day Initial Enrollment Period
- Must work a minimum of 25 hours per week
- New Hires purchasing within the 30 days of eligibility/employment date

#### Eligible Spouses/Partners

- Must work a minimum of 25 hours per week/provide Affidavit (pay stub is also acceptable)
- Employer must pay for one of the minimum contribution options

#### Contribution Options

- 100% of premium for a core benefit, or
- 25% of the total premium, or
- \$250 or more per year

### Billing Requirements

#### If List Billing is selected

- Minimum of 7 lives required (Spouses/Partners can be included in this count)
- Effective date for List Bill has to be the first of the month
- Monthly billing mode
- Employer ability to create census and reconciliation files in “.xls” or “.csv” formats

#### If Direct Billing is selected

- Monthly EFT
- Semi Annual
- Quarterly
- Annual



**Prudential**

## Policy Exclusions

Benefits will not be payable if any of the following situations apply:\*

POLICY EXCLUSIONS MAY VARY BY STATE.

1. Illness, treatment or medical conditions arising out of a) War or an act of war, whether declared or undeclared, while you are insured; or b) Your participation in a felony, riot or insurrection; or c) Alcoholism and drug addiction.\*\*
2. Treatment provided in a government facility, unless payment of the charge is required by law or services provided by any law or governmental plan under which you are covered. This does not apply to a state plan under Medicaid or to any law or plan when, by law, its benefits are excess to those of any private insurance program or other non-governmental program.\*\*\*
3. Charges for services or supplies for which no charge would be made in the absence of insurance.
4. Charges for care or treatment provided outside the United States except as described in the International Coverage benefit.
5. Charges for expenses reimbursable under Medicare or for expenses that would be reimbursable under Medicare but for the application of a deductible or coinsurance amount.
6. Benefits under your policy may be reduced if Prudential also pays benefits for Eligible Charges under any other Prudential Individual Long-Term Care Insurance Policy.\*\*\*\*

\* Policy Exclusions based on charges for services or supplies do not apply to benefits paid under the Cash Benefit Rider, nor cash benefits paid under the Flexible Cash Benefit Rider or the Cash Alternative Benefit.

\*\* In Louisiana and Vermont benefits would not be payable for treatment of alcoholism and drug addiction.

\*\*\* In North Carolina, treatment provided in a government facility (unless otherwise required by law). Services for which benefits are available under Medicare (unless otherwise required by law) or under any other governmental program (except Medicaid). Services or supplies for the treatment of an Occupational Injury or Sickness which are paid under the North Carolina Workers' Compensation Act only to the extent such services or supplies are the liability of the employee, employer or worker's compensation insurance carrier according to a final adjudication under the North Carolina Workers' Compensation Act or an order of the North Carolina Industrial Commission approving a settlement agreement under the North Carolina Workers' Compensation Act.

\*\*\*\* Does not apply to residents of North Carolina.

LTC3<sup>SM</sup> Long-Term Care Insurance policy is issued by **The Prudential Insurance Company of America**, 751 Broad Street, Newark, NJ 07102 (800-732-0416). This coverage contains benefits, exclusions, limitations, eligibility requirements and specific terms and provisions under which the insurance coverage may be continued in force or discontinued. The Prudential Insurance Company of America is authorized to conduct business in all U.S. states and the District of Columbia. All insurance policies/options may not be available in your state. Coverage is issued under policy number GRP 113096 (In North Carolina, coverage is issued under policy number GRP 113640 and in Virginia coverage is issued under policy number GRP 113327); however, policy numbers may vary by state. The Prudential Insurance Company of America is a Prudential Financial company.

**Prudential** and the Rock logo are registered service marks of **The Prudential Insurance Company of America**.

This is a solicitation for long-term care insurance. An insurance agent may contact you.



**Prudential**