

LONG TERM CARE
QUESTIONS AND ANSWERS

Q1: Which employees are eligible to enroll in the plan?

A2: All regular employees who work 20 or more hours per week.

Q2: As an employee, I want to be sure I am not denied coverage under the guarantee issue. Where should I send my application and when is it due?

A2: In order to be ensured the guarantee issue, all employee applications are due in the Controller's office (City-County Bldg., Room 426) no later than Friday, April 18, 2008. For those employees who are applying for the Unlimited Duration option, your application **along with** your completed Evidence of Insurability form must be received in the controller's office no later than April 18, 2008 as well. That way, if you are denied the Unlimited Duration, you are still guaranteed up to the 6 year duration.

Q3: Where should I send my spouse's application and when is it due?

A3: The spouse's application along with the Evidence of Insurability must be returned to the Controller's office because both the employee's and spouse's premium are payroll deductions. There is no deadline because your spouse must be medically underwritten and will either be accepted or denied coverage.

Q4: Where should I send or have other family members (other than spouse) send their applications and when are they due?

A4: All applications and Evidence of Insurability forms other than the employee and spouse should be mailed directly to Unum at the address on the application. There is no deadline because all family members are medically underwritten and will either be accepted or denied coverage.

Q5: I don't want anyone to see my Evidence of Insurability form responses or those of my spouse. How should I submit the form?

A5: Place the Evidence of Insurability form in a sealed envelope and place the appropriate name on the outside of the sealed envelope. Attach it to the application and submit it to the Controller's office.

Q6: Is there any recourse if I am denied the Unlimited Duration or if family members are denied coverage?

A6: Yes, you have the right to appeal the decision. Physicians and their staffs are very busy and mistakes can be made. Sometimes when you appeal, the physicians or their

staff may take more care in responding to questions and Unum may approve your application if different answers or better information is received.

Q7: I have to have my application in by April 18, 2008. I will be having a birthday after April 18th but before the effective date of the policy which is May 1, 2008. What age do I use to calculate my premium?

A7: You use the age you will be on May 1, 2008.

Q8: Will my premium increase as I get older?

A8: No, this is a level premium plan which means your premium will always be associated with the age you were at the time you applied for coverage, assuming you do not make any changes (see A25 & A26).

Q9: Is the premium for me and my spouse pre-tax?

A9: No, the premium is post-tax and the benefit is not taxable.

Q10: When will the premium be deducted from the checks?

A10: In payroll check A.

Q11: The plan becomes effective May 1, 2008. If I retire before May 1, do I turn in my enrollment form by April 18th and do I have the guarantee issue?

A11: If you retire prior to May 1, 2008, you will have to enroll as a retiree and cannot receive guarantee issue. You will have to be medically underwritten and will either be accepted or denied coverage.

Q12: I will be on a Leave of Absence on May 1, 2008? Should I submit my application by April 18?

A12: You must be actively at work on May 1, 2008 (vacations are okay). If you are sure you will not be here on May 1, 2008, then do not turn in your application by April 18th. Instead, you have 30 days from the date you return from your leave to submit an application to the Controller's office. If you submit the application to the Controller's office within 30 days of your return, you will receive the guarantee issue.

Q13: What happens if I terminate employment with Dane County or if my spouse and I divorce?

A13: The coverage is portable. As long as you **notify Unum within 30 days of leaving** County employment, including retirement, you can continue coverage at the group rate. This also applies to your spouse if you divorce. Your spouse has 30 days to notify Unum that he/she wishes to continue the policy.

Q14: How can my family members receive the enrollment kit?

A14: The kits available to employees include applications and Evidence of Insurability forms for up to 2 people. Typically, the kits are intended for employee and spouse or employee and 1 other family member. If you or your family need more kits, you can call 1-800-227-4165 and request additional kits.

Q15: If I don't enroll as an employee, can an eligible family member enroll?

A15: Yes, you do not have to enroll in order for the eligible family members to apply.

Q16: Does sibling include siblings of the spouse?

A16: No, only siblings of the employee.

Q17: Are step children eligible for the plan?

A17: Yes.

Q18: I am the legal guardian of a child and include the child as a dependent on my taxes. Is the child eligible for coverage?

A18: Children would include the natural, adoptive, or step-children of any active employee. There is no dependency requirement. A child where there was legal guardianship would also qualify as a child. The child must be 18 or older in order to enroll for LTC coverage.

Q19: If my parents live outside of the United States, can they apply?

A19: They must have a Social Security number in order to apply, and must receive their care in the United States after 30 days. There is also the issue of Unum's ability to bill the parents. Unum is able to bill them if they reside in Canada. If they live in another country, Unum would need to know where they are and check the company's capacity in that country.

Q20: If I as an employee submit the Evidence of Insurability and Unum requests that more tests be performed, who pays for that? What about for family members?

A20: Unum will pay the cost.

Q21: Will there be an annual open enrollment?

A21: No. This is a one time opportunity for current employees who meet the eligibility requirements and who will be actively employed on May 1 to apply and receive guarantee issue. New employees will have 30 days from the 1st day of employment and

employees on leaves will have 30 days from the day they return to apply for coverage and receive guarantee issue.

Q22: Do I have to complete all the forms in the kit?

A22: No. You only need to complete the application and Evidence of Insurability if applicable. It is recommended that you complete the “Notice Of Termination For Non-Payment Of Premium Additional Designation Group Long Term Care Insurance” form. This form allows you to name someone to receive notice of non-payment of premium so that the policy isn’t cancelled. If, for example, you have an accident, are in a coma and can’t pay a premium, or perhaps a parent applies and becomes forgetful and forgets to pay a premium, the person you name would be notified and could notify a family member to pay the premium.

Q23: Is the 800# a 24 hours per day, 7 days per week (24/7) number?

A23: No, the number is M-F, 8:00 a.m. to 8:00 p.m. Eastern Std. time.

Q24: If I apply for \$5,000 now, can I decrease the amount later at the same age at which I enrolled?

A24: Yes.

Q25: If I want to change the amount of the benefit at a later date, can I do so? For example, if I apply for \$2,000 in coverage now, can I raise that to \$5,000 10 years from now?

A25: Yes, but you will have to complete an Evidence of Insurability form and be approved for the additional coverage. If you are approved, the additional coverage will be billed at your new attained age. In other words, the \$2,000 will be billed at the age you were when you applied and the additional \$3,000 will be billed at your new attained age.

Q26: Can I apply for one of the four plans available now and change that plan later?

A26: Yes, but you will have to complete an Evidence of Insurability form and be approved for the change. In addition, you have now requested a **new** plan so Unum, in effect, starts over and the new plan will be billed at your new attained age.

Q27: During the 90 day elimination period I understand that at least 1 hour of care per day must be provided by a licensed agency. If Medicare pays for the 90 day elimination period, is that okay?

A27: Yes. Unum isn’t concerned whether or not someone else is paying for your care as long as you meet the requirements of the policy i.e. suffer a loss and receive at least 1 hour of care from a licensed agency.

Q28: Once I satisfy the elimination period when do you pay me for home health care? Do you pay me at the end of the month?

A28: The LTC benefit is paid monthly. You will receive a lump sum payment to cover the period between the day you became eligible for monthly benefit payments and the day you were approved for those payments. Unum will then send you a payment each month for days you were eligible to receive benefits during the prior month. The day of payment would depend on your specific claim.

Q29: The elimination period is 90 days. What if I originally only required care for 30 days, but at the end of 30 days my doctor determines I am not doing well and will require care for more than 90 days. Do you go back to the first day to begin counting the 90 days?

A29: The elimination period begins once you have lost at least 2 of the 6 activities of daily living (2 ADLs), are under the care of a physician, and receiving care in a facility or at home from a professional care provider. In this example, as long as you had been receiving covered services the entire time (90 consecutive days) for the ADL loss, then the elimination period goes back to the first day.

Q30: If I had laser surgery within the 6 months preceding the effective date of the policy and I go blind within the first 6 months after the policy is in place, is the laser surgery a pre-existing condition and will the loss be paid?

A30: The eye surgery would be a pre-existing condition. A loss related to that would not be paid.

Q31: I understand that if I receive home care, at least 1 hour of care must be provided by someone from a licensed agency. If I have a family member who is a licensed professional and/or works for a licensed agency, can I ask for the family member to assist me?

A31: No, the 1 hour of care from a licensed agency must be someone other than a family member. The Unum policy states that Professional Home Care Services do not include services performed by your spouse, daughter, son, parent, sister, brother, grandparent or grandchild through a Home Health Care provider or an Adult Day Care Facility. Once you have met that 1 hour requirement, you may have anyone you want care for you.

Q32: If the family member is licensed, can you hire him/her personally and pay them through Unum?

A32: See A31.

Q33: Can the elimination period be satisfied outside of the United States and can I receive care outside of the US?

A33: Only 30 days of the 90 day elimination period can be satisfied outside of the US. After 30 days, you must return to the US and receive the care to satisfy the elimination period and/or receive benefits. *Remember, the 90 days must be consecutive.

Q34: Can we use a licensed independent contractor for home care?

A34: No. The care must be provided by an organization that is licensed or certified by the appropriate licensing agency of the state where professional home care services will be provided. It needs to be certified as a home health care organization as defined under Medicare. It is any other organization that meets all of the following tests: primarily provides skilled nursing care and other therapeutic services; as standards, policies and rules established by a professional group which is associated with the organization; includes at least one physician and one registered nurse; maintains a written record of care on each patient; and includes a plan of care and record of services provided.

Q35: If I think I hired a licensed agency and later learn that the agency is not licensed, what happens to my benefit?

A35: Unum would verify that the agency is licensed before they pay a benefit. If you were receiving care from a non-licensed agency, you would need to begin receiving care from a licensed agency and satisfy the elimination period with the licensed agency before the benefit would be paid. It is recommended that you call the 800# in advance if you are looking for a licensed agency. Unum can assist you with finding a licensed agency in your area.

Q36: If I receive home care, how often do I have to have someone care for me to satisfy the elimination period.

A36: The policy requires that you receive at least 1 hour of care from a licensed agency. During the elimination period, 1 hour satisfies 1 day's requirement and 1 day satisfies 1 week or 7 days of the elimination period.

Q37: Does my time in a hospital count toward the elimination period?

A37: No. A hospital is an acute care facility and the plan only covers when you require custodial care outside of an acute care facility.

Q38: Does home care have to be in 'your home' or can it be in the home of my son or daughter for example?

A38: It can be in anyone's home.

Q39: If I file a claim and the premium is waived, is it waived for life?

A39: No. The premium is only waived during the time you are receiving a benefit. If you improve and no longer need LTC, then you would begin paying the premium again.

Q40: If I select a \$6,000 benefit with a 6 year duration, is that entire pool of money available to me if I go out on claim after only paying my premium for a short period of time, for example 7 months?

A40: Yes.

Q41: Is there a Coordination of Benefits with other plans?

A41: No, Unum will pay you for the benefit amount you took.

Q42: Is there a beneficiary feature to the policy?

A42: No, like auto or home owners insurance, you are covered during the time you are paying the premium. If you never file a claim, premium isn't returned.

Q43: What percentage of Unum's book of business received LTC benefits after satisfying a 90 day elimination period?

A43: Information is not available.

Q44: What percentage of people have applied for coverage with Unum and have been accepted when they are medically underwritten?

A44: The answer varies. 85% of employees and spouses that apply (assuming the employee applies for Unlimited Duration) are typically approved. The acceptance rate for parents and grandparents is roughly 65%.

Q45: What percentage of people who have LTC with Unum go into a nursing home?

A45: Approximately 20% of Unum's claim are for Nursing Home care. The remainder are for Professional Home Care and Total Home Care.

Q46: What is the average length of time that people use homecare?

A46: The average is 3.2 years.

Q47: What percentage of the population has actually received LTC benefits?

A47: LTC is a fairly new product, but one that is growing rapidly. To date, less than 3% of the US population **owns** a LTC policy, so obviously the percent that has actually received benefits from a LTC policy would be very small at this time. Unum was a pioneer in placing this coverage with employer groups and they have been doing so since about 1989. That's less than 20 years so many would not have required benefits yet.

Q48: What percentage of employees have paid for the coverage and never used collected benefits?

A48: Again, since the product is so new, there are many people who own policies and have not collected the benefit yet. See A47.

Q49: If about 35% of LTC is paid by individual retirement savings, where is the other 65% coming from?

A49: Medicaid, Medicare, and private insurance. Given the questionable state of Medicare and Medicaid dollars, the federal government is putting programs in place to encourage people to save for their future needs. We believe that the concern many have about the future of Medicare and Medicaid is making the LTC product much more popular.

Q50: Can the spouse of an adult child apply?

A50: They can enroll. They must complete the evidence of insurability.