

# Prudential Long Term Care Solid Solutions<sup>SM</sup>

The Prudential Insurance Company of America



PERFORMANCE AT ITS PEAK





# Performance At Its Peak

## FROM A NAME YOU KNOW AND TRUST

- More than \$1.5 trillion in group life insurance coverage<sup>3</sup>
- Over \$4.1 billion of group insurance reported premiums, policy charges, and fee income<sup>3</sup>
- Over \$195 million in long-term care insurance premiums<sup>4</sup>
- Solid financial strength ratings:<sup>5</sup>

A.M. Best	A+
Standard & Poor's	AA
Moody's	Aa3
Fitch	AA
- 2nd largest carrier of group life insurance and a leading disability and long-term care insurance carrier<sup>6</sup>
- Over 12,000 group life clients insuring more than 19 million lives<sup>3</sup>
- Over 4,800 long-term disability clients covering more than 2 million lives<sup>7</sup>
- Over 3,100 short-term disability clients covering almost 1 million lives<sup>7</sup>
- 98% overall client satisfaction rate<sup>8</sup>
- Over 90 years group life, over 56 years disability, and over 20 years long-term care insurance experience

**For the latest statistics, please visit [www.investor.prudential.com](http://www.investor.prudential.com).**

# Choose Prudential

Prudential Long Term Care Solid Solutions<sup>SM</sup> helps employees maintain financial independence and choose the kind of care they receive. It's easy to implement and helps employers attract and retain valuable employees. With peak performance at every level of service, Prudential can offer employers and their employees the coverage they value.

## Prudential Long Term Care Solid Solutions<sup>SM</sup>

### A Federally Tax-Qualified Long-Term Care (LTC) Insurance Plan

**Issue Ages:** 18–84

**Daily Benefit Maximums:** \$50–\$500

(subject to state minimum benefits)

**Lifetime Maximum Options:** 2, 3, 4, 5, 6, or 10 years (standard)

**Unlimited Lifetime Maximum** (requires medical underwriting)

**Other Lifetime Maximums** (available upon request)

**Elimination Period Options:** 30, 60, 90, 120, 180, or 365 days

(subject to state availability)

#### Facility Care Benefits

- Nursing Home Care
- Assisted Living/Residential Health Care Facility
- Bed Reservation

#### Home Care Benefits

- Home Health Care
- Homemaker Services
- Personal Care Services
- Adult Day Care

#### Informal Care Benefits

- Unlicensed Caregivers
- Family Members

#### Additional Plan Features

##### (Included in every Prudential Group LTC Insurance Plan)

- **Cash Alternative Benefit:** Pays a reduced monthly fixed benefit to the insured, in lieu of reimbursement for eligible charges for home care. This benefit is payable at the insured's option on a month-to-month basis and can be used to pay for informal care received from a family member or friend. This benefit is payable for each day in the month in which the insured has a chronic illness or disability, after satisfying the elimination period. It is equal to 50% of the Home Care Daily Benefit.
- **Home Support Services:** Offers a pool of money equal to a lifetime benefit of 60 times the Facility Daily Benefit to cover items that may help the insured remain at home. May be used during the elimination period and reduces the lifetime maximum. It provides funds for such things as:
  - Assistive devices or technology
  - Durable medical equipment not covered by Medicare
  - Caregiver training
  - Home modifications
  - Emergency medical response systems
  - Transportation services
- **Respite Care:** Provides a benefit allowing the informal caregiver rest (or respite) while the insured receives care. Benefit includes facility or home care for up to 30 days per calendar year. This benefit is not subject to the elimination period, but reduces the lifetime maximum.
- **Alternate Plan of Care:** Permits case-by-case consideration for care received in either an alternate facility setting or for services designed to help the insured remain independent at home. The services received must be part of a plan of care, must meet requirements and qualifications under federal tax regulations, and must be approved by the insured, the insured's licensed health care practitioner, and Prudential.

# Target Demographics

Employee Average Age:	40
Employee Average Salary:*	\$40,000+
Voluntary Program:**	500+ lives
Core Program:***	100+ lives

Cases with other demographics will also be considered.

\*40% of all employees should earn over \$40,000.

\*\*Other voluntary programs may be available for groups with fewer than 500 lives. For voluntary programs with 1,000 or fewer eligible lives, only direct bill is available.

\*\*\*For core programs, only payroll deduction is available.

- **Restoration of Benefits:** If a claimant no longer meets the benefit eligibility criteria for at least six consecutive months, the lifetime maximum will be restored to the level in effect, as if the insured never made a claim.
- **Hospice Care:** Benefit includes facility or home care and is not subject to the elimination period.
- **International Coverage Benefit:** Offers 75% of the Facility Daily Benefit or Home Care Daily Benefit (100% in New York and California) for an out-of-country nursing home or home health care, homemaker services, or personal care services when eligible charges are incurred outside the United States. The exclusion for services and supplies outside the United States does not apply to the International Coverage Benefit. This benefit is subject to the elimination period, a lifetime limit of 365 days, and reduces the lifetime maximum.
- **Private Care Consultant Benefit:** Provides the personal assistance of a private care consultant (not associated with Prudential) to assist the insured and his/her family. Services include care advocacy, counseling, education, and arrangement for delivery of Qualified Long-Term Care services.
  - Pool equal to 20 times the Facility Daily Benefit per calendar year
  - May be used during elimination period
  - Does not reduce the lifetime maximum
- **Information & Referral Services:** Benefit available through an external contractor at no additional cost to the insured. These services, available to insureds and their family members, provide information on how to choose a long-term care provider that meets their needs, as well as information about any available discount in using a particular provider. Insureds can also access data about long-term care issues and search for long-term care providers online via the Prudential Long-Term Care Resource Center.

- **Spousal/Married Persons Discount:** Offers discounts if both spouses/partners apply or if any married person or partner applies.

- **Waiver of Premium:** After benefit eligibility criteria are met and any applicable elimination period is satisfied, premiums will be waived the 1<sup>st</sup> of the month following the date the elimination period is met. Waiver ends on the last day of the month after the date chronic illness or disability ends.

## Elimination Period & Eligibility Criteria

- **Elimination Period Requirements:** The elimination period is cumulative and needs to be met only once per lifetime. The elimination period is counted in calendar days. Beginning with the date the insured is certified as having a chronic illness or disability, each calendar day counts toward meeting the elimination period. No services are required.

- **Benefit Eligibility Criteria:** To be eligible for benefits, the insured must undergo an assessment and be certified by a licensed health care practitioner as having a chronic illness or disability. A chronic illness or disability is one in which there is either:

- A loss of the ability to perform, without substantial assistance, at least two of the six activities of daily living (bathing, continence, dressing, eating, toileting, and transferring due to loss of functional capacity). This loss must be expected to continue for 90 days.
- A severe cognitive impairment, which requires substantial supervision to protect the insured from threats to health and safety.

Once the insured is certified as meeting either of the above criteria, a licensed health care practitioner must then develop a plan of care. Benefits are paid in accordance with the plan of care.

# Contact Your Prudential Representative for more information about Prudential Long Term Care Solid Solutions<sup>SM</sup>

## Inflation Protection

Except where benefit limits have been reached under the Automatic Compound Inflation Option—two times maximum, all increases and offerings continue even if the insured is in benefit status.

### Standard:

■ **Guaranteed Purchase:** Included in our base plan, increases to coverage are made every three years and are deemed accepted, unless written declination is received. Plan benefits increase by the amount derived from applying 5% annual compounding for three years to the insured's current plan benefits. The additional benefit is rated at the insured's current age and no evidence of insurability is required. The insured will be offered the increase in coverage even if he/she meets the benefit eligibility criteria. The insured has the right to convert to Automatic Inflation Protection, if available under the Group Contract. The insured may elect to convert to Automatic Inflation Protection one time only on an anniversary date, without having to provide additional evidence of insurability. The premium for the Automatic Inflation Protection will be based on the insured's age at the time the insured elects to convert.

### Options:

■ **Automatic Increase:** On each anniversary date, the benefits that provide coverage for eligible charges up to a specified dollar amount (per day, per calendar year, or per lifetime) will be increased by 5% (on either a simple, compound, or compound with two times cap basis).<sup>\*</sup> The lifetime maximum will also increase. Increases may continue as long as the coverage remains in force. Additional premium for this coverage is built into the entry age premium when the coverage is purchased—therefore, premiums will not increase solely because of the advancing age of the insured.

### Optional Plan Features<sup>1</sup>

- **Death Benefit:** Returns a portion of the premiums an insured has already paid into the plan should he/she die before age 74. The refund of paid premium is based on the insured's age at death and is decreased by any benefits paid under the plan. This feature can be optional for clients upon request.
- **Non-Forfeiture Benefit:** Allows the insured to retain access to a portion of the insurance benefits in the event the insured ceases

making premium payments. The insured must pay premiums for at least three full years to accrue these non-forfeiture benefits. This benefit may vary by state.

- **Cash Benefit Option:**<sup>2</sup> Monthly indemnity payment equal to 100% of the Home Care Daily Benefit times the number of days in the month. The insured does not require receipt or proof of services and funds may be used at the insured's discretion, including payment for informal care (licensed or unlicensed provider).
  - Benefits paid under this option are available for an out-of-country nursing home or home health care/home care, homemaker services, or personal care.
  - Since benefits paid under this option are made without regard to costs incurred, part of the benefits could be considered taxable income. Clients should consult a tax advisor with respect to the tax implications of owning a Group Long-Term Care Insurance plan with the Cash Benefit Option.
- **Monthly Benefit Option:** Reimburses eligible charges up to the total of the Home Care Daily Benefit times the number of days in the month for services received during the month. Care must be provided by a licensed provider.
- **Survivor Benefit Option:** If one spouse dies at least ten years after the joint purchase of both policies, and if no claims were made against either plan during the first 10 years, the premium will be waived for the surviving spouse.
- **Shared Care Benefit:** Allows two spouses/partners to share the benefits of each other's plan. If one spouse exhausts benefits, that spouse/partner may access benefits under the other spouse's/partner's coverage. If one spouse/partner dies before exhausting the lifetime maximum, the remaining money would transfer to the surviving spouse/partner.
- **Flexible Cash Benefit:** Changes the Home Care benefit to 50% cash payment, and 50% available to reimburse eligible expenses for home care.
- **Joint Waiver of Premium:** When one spouse/partner satisfies the benefit eligibility criteria, this option provides a waiver of premium for both spouses/partners.

<sup>\*</sup>Subject to state availability

## Exclusions:

This insurance plan is designed to provide coverage to pay for the long-term care you need if you need it. However, there are some special circumstances that limit or exclude the availability of benefits under this insurance plan. While state variations may apply to specific limitations and exclusions, generally, no benefits will be payable if any of the following situations apply:

**Pre-Existing Condition Limitation—This limitation applies only to those individuals who are guaranteed coverage. If you have a condition for which medical advice or treatment was recommended or received within six months immediately preceding the effective date of your coverage, you will not be covered for that condition until six months after the effective date of your coverage. If this coverage is issued to replace prior long-term care coverage which also contained a pre-existing condition limitation, credit towards this limitation will be given for the period of time that was satisfied under your prior coverage.**

**Work-Connected Conditions Charge—**A charge covered by a workers' compensation law, occupational disease law, or similar law.

Illness, treatment, or medical conditions arising out of

- a) War or an act of war, whether declared or undeclared, while you are insured\*
- b) Your participation in a felony, riot or insurrection
- c) Alcoholism and drug addiction\*\*

Treatment provided in a government facility, unless payment of the charge is required by law or services are provided by any law or governmental plan under which you are covered. This does not apply to a state plan under Medicaid (Medi-Cal) 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.

Charges for services or supplies for which no charge would be made in the absence of insurance.

Charges for care or treatment provided outside the United States except as described in the International Coverage Benefit.

Charges arising from intentionally self-inflicted injury or attempted suicide.

Charges for expenses reimbursable under Medicare or for expenses that would be reimbursable under Medicare except for application of a deductible or coinsurance amount. This provision does not apply when expenses are reimbursable under Medicare as a secondary payer or the claim is eligible under the Cash Alternative, Cash, or Flexible Cash Benefit.

\*For Oklahoma residents: The following replaces a) above: a) War or an act of war, while serving in the military service or any auxiliary unit attached thereto

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

1 Available benefit options may vary by state. Premium will vary with choice of benefits selected.

2 Plan exclusions based on charges for services or supplies do not apply to benefits paid under the Cash Benefit Option.

3 2007 Statutory Annual Statement of Prudential (Blue Book). 4 LIMRA, 2007 Annual Group Long-Term Care & Individual Long-Term Care Sales and Inforce Studies. 5 As of April 2008. A.M. Best ratings range from A++ (Superior) to F (In Liquidation); Standard & Poor's ratings range from AAA (Extremely Strong) to D (In Default); Moody's ratings range from Aaa (Exceptional) to C (Lowest Rated); Fitch ratings range from AAA (Exceptionally Strong) to D (Distressed). 6 LIMRA, 2007 Annual Surveys of U.S. Group Life, Group Disability, and Group Long-Term Care Insurance. 7 JHA, Inc., The 2007 JHA U.S. Group Disability Market Survey. 8 The Prudential Insurance Company of America, 2007 Group Insurance Client Satisfaction Study.

Prudential Long Term Care Solid Solutions<sup>SM</sup> 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 contract series 83500.

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