



From the Air Force Personnel Center
Benefits and Entitlements Service Team (BEST)

LONG TERM CARE INSURANCE A BENEFIT FOR APPROPRIATED FUND CIVILIAN EMPLOYEES

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Who is sponsoring the Federal long term care insurance program? The Office of Personnel Management (OPM) sponsors the program, established by Public Law 106-265, the Long Term Care Security Act.

What company is providing the insurance? Two of the nation's premier insurance companies joined ranks and won the competition to provide coverage under this program – Metropolitan Life Insurance Company and John Hancock Life Insurance Company. They formed a partnership named Long Term Care (LTC) Partners. You will apply directly to LTC Partners for the insurance.

What is long term care? Long term care is the kind of care you would need to help you perform daily activities of living – tasks such as feeding yourself, taking a bath, getting dressed, moving from a bed to a chair, and using the bathroom. It's needed when a long-lasting illness, injury, or the normal aging process keeps people from performing everyday tasks themselves. It also includes the kind of care you would need if you had a severe problem like Alzheimer's disease. It can be received in your own home, at a nursing home, or other long term care facility.

What is long term care insurance? It is insurance that helps you pay for long term care services, such as home care or care in a nursing home or assisted living facility.

Why would I want long term care insurance? You may be healthy now, but who knows what will happen in the next year, 5 years, 20 years, or beyond? The odds are you will need long term care at some point in your life – perhaps sooner than you think. About 40 percent of people needing long term care are adults ages 18-64. They may have had an accident, a stroke, developed multiple sclerosis, etc. We hope you never need it, but if you do, how will you pay for this very expensive care? It can easily exhaust your savings - one reason you might decide to buy long term care insurance.

Doesn't my health insurance plan, Medicare, Champus, Tricare, or other health plan cover long term care costs? No, mostly they do not. Disability income insurance doesn't pay for long term care either.

How much does long term care insurance cost? Premiums are based on your age when you buy the coverage – the younger you are, the lower the premiums. Premiums will also vary based the benefits you choose. The premiums and a calculator can be found on the LTC Partners Web site. The calculator will give you the ability to compare the premiums for various options to help you select the options best for you.

Will the Federal government contribute a portion of the long term care cost? No, by law there will not be any government contribution. Participants are responsible for 100 percent of the cost – typical in private industry for this type of insurance. However, you'll find the premiums very competitive and the coverage among the most comprehensive available at any price. In addition, benefits paid are not considered taxable income, and premiums are eligible for inclusion in tax deductions for medical expenses. Many states offer tax incentives for the premiums.

Who is eligible to apply for the insurance? Individuals eligible to apply are Federal employees and annuitants, including deferred annuitants; surviving spouses of deceased Federal employees or annuitants who are receiving a Federal survivor annuity; individuals receiving compensation from the Department of Labor

who are separated from the Federal service; current spouses of employees and annuitants; adult children (at least 18 years old, including adopted children and stepchildren) of living employees and annuitants; and parents, parents-in-law, and stepparents of living employees (but not of annuitants). Generally, though, Federal employees are eligible to apply for long term care insurance if they are eligible to enroll in the Federal Employees Health Benefits (FEHB) program.

Are Federal deferred annuitants eligible to apply for the insurance? *NEW*

Yes, they are. Deferred annuitants who separate with title to a deferred annuity, even if they aren't yet receiving that annuity, are eligible to apply for this Program.

Will eligible individuals have to pass health requirements (underwriting) in order to enroll?

Yes. There are two levels of underwriting – full underwriting and abbreviated underwriting.

What is underwriting? Underwriting is the process of reviewing medical and health-related information furnished during the insurance application process to determine if the applicant presents an acceptable level of risk and is insurable.

What is abbreviated underwriting? In this type of underwriting, the application has several health-related questions designed to determine who may be immediately eligible for benefits or eligible for benefits within a short period of time. Spouses will answer nine questions and employees will answer seven questions if they select the 3 year or 5 year benefit period. New or newly eligible civilian employees, their spouses and newly married spouses of civilian employees can apply using the abbreviated underwriting application within 60 days of becoming eligible. LTC Partners may ask you for proof of the eligibility date (SF50, Notification of Personnel Action).

What is full underwriting? Everyone eligible for the Program who does not qualify for abbreviated underwriting is subject to full underwriting. This means they will have to answer numerous health-related questions. It may also include a review of medical records and/or a personal interview. This is the same level of underwriting required for those who purchase individual policies in the private market.

Do I have to be enrolled in health or life insurance to be eligible for the long term care insurance program?

No. The long term care insurance program is totally separate and independent. However, someone currently receiving Medicaid assistance should probably not be purchasing long term care insurance.

Can I sign up my eligible family members? No. If you are a Federal employee or annuitant, your qualified family members can apply for the coverage even if you do not, but you cannot sign them up yourself. There is no “self and family” coverage.

How do I enroll in long term care insurance?

You must first submit an application for coverage. Applications may be obtained from the LTC Partners Web site (<http://www.ltc.feds.com>) or by calling 1-800-582-3337 (TTY 1-800-843-3557). Overseas employees may reach these numbers by first dialing a toll-free AT&T direct access number which can be found on the AT&T Web site at http://www.business.att.com/default/?pageid=bt_dialing_instr&branchid=bt#outside.

If I apply for long term care insurance, pass the underwriting, and my application is approved, when will my coverage be effective? It will be effective on the 1st of the month after your application is approved.

I'm a new employee. If I don't apply for LTC coverage within 60 days of becoming eligible, may I apply afterwards? Yes, you may apply at any time. Keep in mind, though, that if you (and your spouse) apply during your initial 60 day opportunity you will use the abbreviated underwriting application

consisting of seven to nine health-related questions. After the 60 day period expires, you will be subject to full underwriting which requires you to answer numerous health-related questions and may also include a review of medical records and/or a personal interview.

I'm an employee returning to a pay status after the Open Season ended on 31 Dec 02. Can I apply for long term care insurance? Yes, as long as you were in a non-pay status for over one-half of the Open Season (1 Jul – 31 Dec 02). You will have 60 days from the date you return to duty to apply using abbreviated underwriting. You will need to provide your return to duty date on the abbreviated underwriting application.

Are there going to be other open seasons? This program does not have annual open seasons. OPM does not know how frequently we will have them and when the next one will be.

What choices will I have for paying the premiums? You will be able to choose from payroll deduction, automatic debit from your checking account, or direct billing from LTC Partners.

I'm paying LTC premiums through payroll deduction. If I transfer to a new agency, will deductions automatically begin with the new agency? *NEW*

No, you will need to contact LTC Partners when you know where and when you will be transferring. LTC Partners will work with the new agency location to set up payroll deductions. Depending on the timing involved, LTC Partners may not get your payroll deduction changed in time for the first paycheck at the new location so you will be billed directly for any premiums not collected through payroll deduction.

When I retire, what must I do to have my LTC premiums deducted from my annuity? *NEW*

You will need to contact LTC Partners and let them know when you are retiring. Deductions will not automatically transfer from the agency to the retirement system. LTC Partners will work with OPM to set up premium deductions from your annuity; however, premiums cannot be deducted while you are receiving interim annuity payments. Until OPM finalizes your annuity, LTC Partners will bill you directly. Once the annuity is finalized, LTC Partners will deduct premiums from your annuity.

How do I contact LTC Partners? You can talk to a certified long term care insurance specialist at 1-800-582-3337 (TTY 1-800-843-3557), Monday – Friday, 8 a.m. to 7 p.m. Eastern Time.

If I am a current employee and want to elect payroll deduction, what is my Payroll Identifier Number? You can find your Payroll Identification Number in the “REMARKS” section of your most recent Leave and Earnings Statement (LES).

Where can I find additional information regarding long term care insurance? The best sources of information on the long term care insurance program are the web sites of the Office of Personnel Management (OPM) and LTC Partners. OPM's Long Term Care Page is located at <http://www.opm.gov/insure/ltc>. LTC Partners' Web site is located at <http://www.ltcfeds.com>. Information available includes extensive Frequently Asked Questions (FAQs), benefits, premium rates, and a premium calculator.

LTC Partners: 1-800-582-3337, TTY 1-800-843-3557

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