

MEDAmerica

An Excellus Company

Enhance

For You

For Your
Employees

Your Benefit Package



As an employer,

you know the importance of providing your employees with a solid benefit package. In today's competitive marketplace, employers are faced with the challenge of offering quality benefit programs for employees, as well as holding the line on costs.

With the LTCi Benefits for Employer Groups program featuring FlexCare long term care insurance, you can meet these goals and provide a benefit that will help recruit and retain talented employees and maintain a high level of productivity. The LTCi Benefits for Employer Groups program will help you meet your objectives by giving you the flexibility to provide long term care insurance (LTCi) to your employees through a voluntary program, employer pay-all, or an executive carve-out.

The choice is yours.

LTCi | Benefits for
Employer Groups
Featuring FlexCare

**Enhance
Productivity**

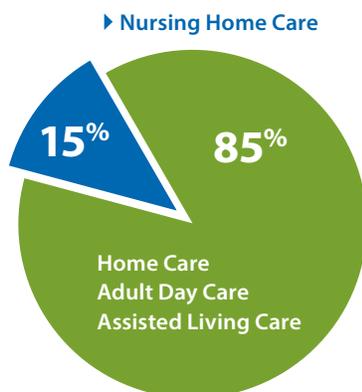
The Basics

Long Term Care

Long term care is the type of care provided for those who have an illness, disability, or cognitive impairment and need assistance with daily living activities. The risk of needing long term care services is greater than many people realize. Research indicates that one in two Americans will need these services at some time in their life.¹

Where are Long Term Care Services Provided?

The majority of long term care services are provided in the individual's home, an adult day care center, or an assisted living facility.¹



“If you’re not insured, the sudden need for expensive, ongoing care can drain your wealth. Long term care insurance is perhaps the single most important estate protection for middle-aged and older Americans.”²

Financial Impact

Long term care services are very expensive, often costing thousands of dollars a month. And because the care may be needed for several years or longer, the expenses may present a significant threat to your lifetime savings, financial independence, and retirement security.

- › Nursing home care, for example, costs an average of \$219 per day for a private room (or over \$79,000 annually).³
- › A visit by a home health aide averages \$21 per hour.³
- › The cost of assisted living facilities averages \$3,131 a month or \$37,572 a year.³

¹ Phyllis Shelton, *Long-Term Care, Your Financial Planning Guide*, LTCi Publishing, 2007.

² “Long Term Care Insurance Offers Safeguards in Financial Crisis,” Denise Gott, PR Newswire, October 13, 2008.

³ National Clearinghouse for Long-Term Care Information, U.S. Department of Health and Human Services, September 2010.

The Concern for Employees



As a Caregiver

A significant portion of those in the workforce are also providing elder care to family members. A recent study indicated that 36% of workers reported they are currently providing care to an older loved one.⁴

The responsibilities of caregiving leave less time to spend with family and friends. Many caregivers have to give up vacations and hobbies, along with other social activities. The physical and emotional demands of being a caregiver often have a lasting effect on the caregiver's health. Studies consistently show that caregivers report high levels of depressive symptoms and mental health problems.⁵

Not Just a Seniors Issue

Often people will see long term care insurance as something for the elderly, but the truth is that 40% of those who are receiving LTC are below the age of 65.⁶ Automobile accidents, strokes, heart problems, and cancer are just a few of life's unexpected circumstances that generate this need.

Financial Concern

Younger employees have other financial concerns such as children's education, home ownership, and planning for their retirement. An unexpected long term care expense could present serious financial challenges and interrupt these plans.



Each day 6,000 Americans turn 65 and eldercare is quickly replacing childcare as the biggest dependent care need.⁴

⁴ "Working Mother Magazine," September 25, 2007.

⁵ 2009 National Policy Statement, Family Caregiver Alliance, National Center on Caregiving, 2009.

⁶ National Clearinghouse for Long Term Care Information, U.S. Department of Health and Human Services, September 2008.

Effects on Worker Productivity



Worker productivity is affected not just for the caregiver, but for other employees as well. Co-workers have to assume additional responsibilities with increased workloads to compensate for the caregiver's absence. This situation can affect overall productivity and morale. Often, valuable time and resources have to be spent hiring and training new employees. The cost for employers can quickly add up.

The total estimated lost productivity cost to employers for all full-time, employed caregivers is \$33.6 billion.⁷

Impact on Employee Performance

Employee caregivers are challenged to balance their responsibilities between work and caring for a family member. Often employee caregivers are unable to adequately perform their job duties, including travel, new assignments, overtime, and additional training because of their caregiving role.

Workplace Accommodations⁸

81% Caregivers who routinely take time during their workday to make arrangements for care or to check on their loved one

70% Those who report the need to take days off due to caregiving duties

64% Employed caregivers who arrive at work late or leave early

41% Employed caregivers who use time at work to discuss care issues with co-workers

⁷ National Alliance for Caregiving, July 2006.

⁸ National Alliance for Caregiving and Center for Productive Aging, Towson University, February, 2008.

The Solution

The dollar value of productivity lost to caregiving needs is clearly a problem. Businesses are confronted with the need to conserve resources and cut costs while, at the same time, responding to employees' growing needs.

Long term care insurance can relieve an employee of significant financial and personal responsibilities when an insured family member requires long term

care services. This allows the employee to continue his or her job duties, improving productivity, and cutting costs to the employer.

MedAmerica Insurance Company developed the LTC Benefits for Employer Groups program featuring FlexCare so you can provide your employees with long term care insurance.

Consider the Advantages

To You

- › By adding value to your benefit package, this program can increase employee loyalty and assist in recruiting and retaining talented employees.
- › Because certain family members are eligible, this program can assist the employee in maintaining his or her job performance during a time when the employee is involved with the long term care needs of an insured family member.
- › Helps cut costs by improving your workforce productivity.

To Your Employees

- › Helps protect their assets from the costs of long term care, both during their working years and during their retirement.
- › Helps them preserve their financial independence and avoid relying on family or friends for support when a long term care need arises.
- › Helps relieve them of significant financial and personal responsibilities when an insured family member requires long term care services.
- › By paying for services in a variety of settings, including care at home, FlexCare will help maintain your employees' freedom of choice in determining how and where they receive care.

Working age family caregivers double their chances of remaining in the workforce if the disabled elder they are caring for has private long term care insurance. These caregivers also experience significantly fewer work disruptions and social stresses.⁹

⁹ Healthy Outlook, November, 2007.

LTCi | Benefits for Employer Groups

Featuring FlexCare™

Program Features

- › **Premium Discounts** are provided for employees and eligible family members.
- › **Simplified Underwriting**
Process may be available for employees and actively-at-work Care Partners.¹⁰
- › **Individual Selection of Benefits** allows each applicant to select the benefits that meet his or her needs and budget.
- › **Portability** allows your employees to continue coverage when they retire with no conversion necessary.

Additional Features

- › **Simple Administration**
MedAmerica Insurance Company provides all materials and handles all service work for insureds.
- › **Simple Enrollment Process**
This program is introduced to employees by group meetings, payroll inserts, e-mails, and other means approved by the employer.
- › **Executive Carve-Out and Employer Pay-All Programs Available**
As the employer, you can opt to pay for a plan for all employees or just a select group of employees. The choice is yours.
- › **Tax Advantages**
Premiums paid by an employer for an employee, employee's spouse, or dependents are generally excluded from employment taxes and are generally tax deductible for the employer.*

* Tax qualified plans only; C-Corporations only; please consult your tax advisor on how your business can treat long term care insurance. You should seek the advice of your own attorney, accountant, and/or tax advisor to discuss any and all tax issues related to the LTCi contract.

MEDAmerica

MedAmerica Insurance Company has the strength and experience needed to meet your long term care needs, both today and tomorrow.



¹⁰ An actively-at-work person is someone aged 18-71 who is currently employed outside the home or self-employed outside the home and not on leave without pay or an authorized absence due to illness or injury for more than five consecutive days over the last 180 days. The actively-at-work person must be regularly scheduled to work at least 30 hours per week and be present at their employer's place of business or an alternate worksite as designated by the employer and be performing the material and substantial duties of their job. If the employee works from home they are considered actively-at-work if they are not hospital confined and not disabled to a degree that they could not have reported for work at the employer's usual place of business and performed all the material and substantial duties of their occupation at least 30 hours per week.

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MEDAmerica

MedAmerica Insurance Company

Home Office: Pittsburgh, PA

MedAmerica Insurance Company of New York

Home Office: Rochester, NY

MedAmerica Insurance Company of Florida

Home Office: Orlando, FL