



From the Air Force Personnel Center

## **LONG TERM CARE INSURANCE A BENEFIT FOR MEMBERS OF THE UNIFORMED SERVICES**

Updated December 2003

**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.

**Is this program the same as the long term care insurance offered by USAA or various recreation associations targeted to military personnel?** No, it is entirely separate from any other group long term care insurance program. The Federal Long Term Care Insurance Program sponsored by the U.S. Office of Personnel Management and offered by John Hancock and MetLife is the ONLY program authorized by Congress to be officially offered to members and retired members of the uniformed services, Federal employees and retirees, and qualified family members.

**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 on 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 be no 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 will be eligible for the insurance in the Uniformed Services?** *Updated*

Members on active duty or full-time National Guard duty for more than 30 days; members of the Selected Reserve; and members on retirement or retainer pay. Individuals eligible to apply are members and retired members of the uniformed services, current spouses, and adult children (age 18 and over, including adopted and stepchildren) of living members and retired members; parents, parents-in-law, and stepparents of living members of the uniformed services (but not of retired members); surviving spouses of deceased members and retired members of the uniformed services who are receiving an annuity from the uniformed services; “grey reservists” *even if they are not receiving their retired pay yet*, and members of the Selected Reserve and National Guard.

**Those in the "Selected Reserve" are eligible to apply for this program. Who does that include?**

The Selected Reserve consists of those uniformed services members who are required to routinely train and are the first category liable for mobilization under the statutes governing mobilization. The Selected Reserve consists of Drilling Reservists and Guardmembers assigned to Reserve Component Units; all Individual Mobilization Augmentees who are Reservists assigned to Reserve Component billets in Active Component units (they may perform duty in a pay or non-pay status); and Active Guard and Reserve members who are full-time Reserve members on full-time National Guard duty or active duty in support of the National Guard or Reserves.

Reservists who are assigned to a Voluntary Training Unit in the Naval Reserve and Category E in the Air Force Reserve (although they may perform inactive duty training (drills) in a non-pay status) are not members of the Selected Reserve and, therefore, are not eligible. They are members of the Individual Ready Reserve.

**I was in the military years ago, but didn't retire. I am not receiving any retirement or retainer pay. I simply completed my tour of duty and returned to civilian life. Am I eligible to apply for this insurance?** No you are not, based on what you've said. But -- if you are currently on active duty or full-time National Guard duty and have been for more than 30 days, or if you're in the Selected Reserve (members in the Individual Ready Reserve are not eligible), then you would be eligible to apply.

**I'm a former member of the uniformed services receiving a medical annuity. Am I eligible to apply for insurance under this Program?** Yes, if that medical annuity is retired pay or retainer pay. If it is a benefit provided under statutes administered by the Department of Veterans Affairs (VA), you are not eligible. However, there is one exception – if indeed you are qualified for retired pay from the uniformed services and voluntarily chose to receive a VA benefit instead, you are still eligible to apply.

**Are surviving spouses of deceased members or retired members of the uniformed services eligible to apply for this insurance?** Yes, they are eligible if they are receiving a survivor annuity.

**I'm receiving payments under SBP (Survivor Benefit Plan). Does that qualify as a survivor annuity?** Yes it does. You are eligible to apply for insurance coverage in this Program, using the full underwriting application.

**I'm a surviving spouse of a deceased member or retired member of the uniformed services and I'm NOT receiving a survivor annuity. Am I eligible?** No, you are not eligible because you are not receiving a survivor annuity.

**I'm a surviving spouse of a deceased member or retired member of the uniformed services, am NOT receiving a survivor annuity, but I AM eligible for military health benefits. Am I eligible?**

No, you are not eligible because you are not receiving a survivor annuity.

**Are surviving spouses who receive Dependency Indemnity Compensation (DIC) payments from the Department of Veterans Affairs eligible to apply for this insurance?** Yes, because a DIC payment is a survivor annuity.

**I'm receiving a "variable separation incentive" from the uniformed services. I was an officer and my position was eliminated. I was offered and accepted a variable separation incentive equal to two times my service time. Am I eligible to apply for LTC insurance?** No, you are not. A variable separation incentive payment does not qualify as retired or retainer pay for purposes of the Long Term Care Security Act. You do not have retirement status that would qualify you to apply for LTC insurance.

**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 members of the uniformed services will answer seven questions if they select the 3 year or 5 year benefit period. New and newly eligible active members of the uniformed services, their spouses and newly married spouses active members of the uniformed services can apply using the abbreviated underwriting application within 60 days of becoming eligible.

**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 Tricare to be eligible for the long term care insurance program?** No. The long term care insurance program is totally separate and independent. You do not need to be enrolled in Tricare or any other program to apply for this program. 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 member or retired member of the uniformed services, 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.ltcfeds.com>) or by calling 1-800-582-3337 (TTY 1-800-843-3557). Overseas members 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](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.

**When is the next open season?** 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 or savings account, or direct billing from LTC Partners.

**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 through Friday, 8 a.m. to 7 p.m. Eastern Time.

**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. The OPM Long Term Care Web page is located at [www.opm.gov/insure/ltc](http://www.opm.gov/insure/ltc). LTC Partners Web site is located at [www.ltcfeds.com](http://www.ltcfeds.com). Information available includes extensive Frequently Asked Questions (FAQs), eligibility and benefits information, premium rates, and a premium calculator. OPM uses the term “employee” which includes Federal employees and annuitants and members and retired members of the uniformed services.

**LTC Partners: 1-800-582-3337, TDD 1-800-843-3557**

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**OPM: <http://www.opm.gov/insure/ltc/index.htm>**