Gettysburg College Group Long Term Care Insurance Program

Employee Presentation for Enrollment Period 2/22/2016 to 3/18/2016

Underwritten by Genworth Life Insurance Company.

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Today’s Topics

An Introduction to Long Term Care (LTC) and Long Term Care Insurance (LTCI)

The Three Key Decisions

Additional Benefits & Eligibility

Summary & Next Steps
Why Purchase Long Term Care Insurance?

- **Protect Savings**
  Helps protect the money you’ve been saving for retirement, education, etc.

- **Protect Family**
  Helps protect your family and friends from the burden of caregiving.

- **Maintain Choice & Control**
  Helps keep your options open about how you receive care.

- **Stay At Home**
  Helps reimburse expenses to make home modifications and receive home care where you’re most comfortable.
Myths & Realities

“It won’t happen to me.”

“My insurance will cover me.”

“The government will pay for the care I need.”

“I can pay for this out of my savings.”

7 in 10 people who reach age 65 will need long term care during their lives.

Neither disability nor health insurance are designed to cover long term care expenses.

Medicare & Medicaid benefits are very limited and you may not qualify.

It can take years to accumulate an amount equal to the insurance coverage you could have today.

www.genworth.com/groupltc  Group ID: gettysburg  Code: groupltc
Can You Pay For LTC Out Of Your Savings?

Example: A 45-year old invests $39.96 per month @ 5% to age 80

This monthly investment is equal to premiums for a 45-year old with a plan design of $3,000 Monthly Benefit, $108,000 Total Coverage and the None Benefit Increase Option. Additional options are available at different costs.

You may not be able to save enough to pay for the care you need.

Today’s cost for a year in a Pennsylvania private nursing facility $113,150

Available TODAY $108,000

Available @ AGE 80 $45,587

Invest $39.96 @ 5%

LTCI Benefit

All references to cost of care are based on Genworth’s 2015 Cost of Care Survey, conducted by CareScout 03/2015
More Myths & Realities

“I can rely on my family & friends.”

“Long term care insurance is too expensive.”

Caregiving is difficult and requires significant physical and emotional commitment.

You can customize a plan to fit your needs and your budget.
Long Term Care Insurance May Be More Affordable Than You Think

Premiums vary by age

Coverage for a 45-year old under this program can be as low as $40.00 per month

<table>
<thead>
<tr>
<th>Purchase Age</th>
<th>Cost Per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 50</td>
<td>$49.97</td>
</tr>
<tr>
<td>Age 55</td>
<td>$67.43</td>
</tr>
<tr>
<td>Age 60</td>
<td>$99.11</td>
</tr>
<tr>
<td>Age 65</td>
<td>$159.39</td>
</tr>
</tbody>
</table>

This displays example premiums for an plan design of $3,000 Monthly Benefit, $108,000 Total Coverage and the None Benefit Increase Option at a variety of ages. Actual premiums depend on the age, plan design, rates and options selected.
How Do You Qualify For Benefits?

If you need help with at least 2 of the 6 Activities of Daily Living (ADLs), and help is expected to last at least 90 days.

A severe cognitive impairment that requires substantial supervision also makes you eligible to qualify.

LTCI can help reimburse the cost of LTC services that help people perform everyday activities.
How Does Long Term Care Insurance Work?

A “Pool of Money”

LTCl provides a pool of money (Total Coverage Maximum) that can reimburse long term care services when and where needed

- Home & Community Care
  - Nurses & Therapists
  - Home Modifications
  - Adult Day Care
  - Incidental Home Maker & Chore Care

- Assisted Living Facility Care
  Allows you to live independently with on-site support for daily basics

- Nursing Facility Care
  Provides more skilled care, supervision, medication, therapies and rehabilitation
The Three Key Decisions

Basic Choices to Customize Your Plan

The examples that follow reflect plan design options and premiums available to your group. Your actual premiums will depend on your age and the plan design you choose. Examples assume no premium increases occur.

All cost of care information shown is based on Genworth’s 2015 Cost of Care Survey, conducted by CareScout® 3/2015.
# Three Key Decisions

1. **Monthly Benefit Amount**
   - $1,500
   - $3,000
   - $4,500
   - $6,000

2. **Total Coverage Maximum**
   - $36,000
   - $72,000
   - $108,000
   - $144,000
   - $54,000
   - $108,000
   - $162,000
   - $216,000
   - $72,000
   - $144,000
   - $216,000
   - $288,000

3. **Benefit Increase Option**
   - None
   - Automatic 3% Increase for Life - Compound
   - Automatic 5% Increase for Life - Compound

Select a Monthly Benefit Amount

Select a Total Coverage Maximum

Select a Benefit Increase Option
Three Key Decisions

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3. **Benefit Increase Option**
   - None
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   - Automatic 5% Increase for Life - Compound

Cover the **Monthly cost of care** in your area
- 100% for nursing home & assisted living
- 100% for home & community care

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LEARN MORE  •  GET A QUOTE  •  APPLY ONLINE
www.genworth.com/groupltc  Group ID: gettysburg  Code: groupltc
Step 1: Choose a Monthly Benefit
Select a Monthly Benefit to cover the Monthly cost of care in your area

Annual Cost of Care
Private Nursing Home Median Annual Rate

<table>
<thead>
<tr>
<th>State</th>
<th>Average Annual Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oregon</td>
<td>$102,018</td>
</tr>
<tr>
<td>California</td>
<td>$104,025</td>
</tr>
<tr>
<td>Arizona</td>
<td>$85,045</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>$113,150</td>
</tr>
<tr>
<td>New York</td>
<td>$136,437</td>
</tr>
<tr>
<td>Illinois</td>
<td>$74,460</td>
</tr>
<tr>
<td>North Carolina</td>
<td>$82,125</td>
</tr>
<tr>
<td>Florida</td>
<td>$96,725</td>
</tr>
<tr>
<td>Texas</td>
<td>$68,620</td>
</tr>
</tbody>
</table>

Select a Monthly Benefit to cover the Monthly cost of care in your area.
Three Key Decisions

1. Monthly Benefit Amount
   - $1,500
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   - $6,000

2. Total Coverage Maximum
   - $36,000
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3. Benefit Increase Option
   - None
   - Automatic 3% Increase for Life - Compound
   - Automatic 5% Increase for Life - Compound

Cover the Monthly cost of care in your area
- 100% for nursing home & assisted living
- 100% for home & community care

Have enough coverage to last ~3 years

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LEARN MORE  •  GET A QUOTE  •  APPLY ONLINE
www.genworth.com/groupltc  Group ID: gettysburg  Code: groupltc
**Step 2: Choose Your Total Coverage**
Select a Total Coverage Maximum that will cover ~3 years of care

<table>
<thead>
<tr>
<th></th>
<th>Cost for 1 Year of Care</th>
<th># Years Most People Need Care</th>
<th>Target Total Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assisted Living Facility</td>
<td>$42,660</td>
<td></td>
<td>$127,980</td>
</tr>
<tr>
<td>(A private room)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home Health Care</td>
<td>$47,911</td>
<td>x3</td>
<td>$143,733</td>
</tr>
<tr>
<td>(44 hours with a licensed home health aide @ $20.00 per hour)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nursing Home</td>
<td>$113,150</td>
<td></td>
<td>$339,450</td>
</tr>
<tr>
<td>(A private room)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Genworth’s claims data shows that of all claims lasting longer than one year, most claims end within 3 years.
Three Key Decisions

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3. **Benefit Increase Option**
   - None
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Cover the **Monthly cost of care** in your area
- 100% for nursing home & assisted living
- 100% for home & community care

Have enough coverage to last ~3 years

Keep up with the cost of care **in the future**
Step 3: Choose A Benefit Increase Option

Select an option to help your coverage keep up with inflation

Projected cost for 3 years of care for a 45-year old
Assumes cost of care increases by 5% until age 80
Step 3: Choose A Benefit Increase Option
Select an option to help your coverage keep up with inflation

5% Compound
Automatic Increase for Life
- Available for an additional premium.
- Premiums stay level but costs most at issue.

3% Compound
Automatic Increase for Life
- Available for an additional premium.
- Premiums stay level but costs more than None at issue.

None
The lowest cost, but benefits do not increase over time and will not keep up with the costs of long term care.
Step 3: Choose A Benefit Increase Option

Select an option to help your coverage keep up with inflation

Estimated Monthly Benefit & Total Coverage Growth

Demonstrates coverage growth for a 45-year old with different benefit increase options over a 35 year period.

BEGIN WITH:

3% Compound:
- $3,000 Monthly Benefit
- $108,000 Total Coverage

5% Compound:
- $3,000 Monthly Benefit
- $108,000 Total Coverage

None:

GROWS TO:

3% Compound:
- $16,548 Monthly Benefit
- $595,730 Total Coverage

5% Compound:
- $8,442 Monthly Benefit
- $303,897 Total Coverage

None:
- $3,000 Monthly Benefit
- $108,000 Total Coverage

www.genworth.com/grouppltc  Group ID: gettysburg  Code: grouppltc
Three Key Decisions: Rob’s Example

1. Monthly Benefit Amount
   - $1,500
   - $3,000
   - $4,500
   - $6,000

2. Total Coverage Maximum
   - $36,000
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   - $144,000

   - $54,000
   - $108,000
   - $162,000
   - $216,000

   - $72,000
   - $144,000
   - $216,000
   - $288,000

3. Benefit Increase Option
   - None
   - Automatic 3% Increase for Life - Compound
   - Automatic 5% Increase for Life - Compound

Rob’s Plan Design

This might be for you if...

- You want an affordable option to receive some coverage instead of none
- You’re concerned about funding future needs such as a college education or retirement

Monthly Premium for a 45-year old

$35.62
Three Key Decisions: Ellen’s Example

1. **Monthly Benefit Amount**
   - $1,500
   - $3,000
   - $4,500
   - $6,000
   - ✓ $3,000

2. **Total Coverage Maximum**
   - $36,000
   - $72,000
   - $108,000
   - $144,000
   - ✓ $108,000

3. **Benefit Increase Option**
   - None
   - ✓ Automatic 3% Increase for Life - Compound
   - Automatic 5% Increase for Life - Compound

**Ellen’s Plan Design**

- This might be for you if...
  - You want to cover typical LTC needs
  - You want a good balance between coverage level and affordability

**Monthly Premium for a 45-year old**

- $95.66
Three Key Decisions: Tyson’s Example

1. Monthly Benefit Amount

<table>
<thead>
<tr>
<th>Option</th>
<th>$1,500</th>
<th>$3,000</th>
<th>$4,500</th>
<th>$6,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checked</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

2. Total Coverage Maximum

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
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<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Option</th>
<th>$72,000</th>
<th>$144,000</th>
<th>$216,000</th>
<th>$288,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checked</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

3. Benefit Increase Option

<table>
<thead>
<tr>
<th>Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
</tr>
<tr>
<td>✔ Automatic 3% Increase for Life - Compound</td>
</tr>
<tr>
<td>✔ Automatic 5% Increase for Life - Compound</td>
</tr>
</tbody>
</table>

Tyson’s Plan Design

This might be for you if...

- You want extensive coverage to cover most LTC scenarios you could reasonably encounter
- You believe your family history might increase your chances of experiencing an LTC need

Monthly Premium for a 45-year old

$366.67
Additional Benefits Included in Your Plan

Waiver of Premium
Waives premiums if you are receiving care in a nursing facility or at home. It also waives premiums while bed reservation & hospice benefits are being paid.

Bed Reservation
Reimburses charges to reserve your accommodations in a nursing or assisted living facility while you are away for any reason.

Hospice Care
Reimburses charges up to the applicable Monthly Benefit.

International Coverage
Reimburses covered care and services received outside the United States
Additional Benefits Included in Your Plan
That May Help You Stay At Home

Respite Care
Reimburses charges up to the applicable Monthly Benefit to give an unpaid caregiver short term relief.

Home Assistance
Reimburses up to 3 times the Monthly Benefit Amount for home modifications, support equipment and caregiver training.

Informal Care
Reimburses cost of services provided by a friend or family member

Additional Benefits You May Select

Nonforfeiture Benefit
• Provides reduced coverage in event of lapse for any reason
• Requires coverage in force for at least three years
Who is Eligible to Apply?

To be eligible, the applicant must maintain a permanent U.S. residence, and have a valid Social Security Number or Tax Identification Number from the U.S. government.

• Actively at work, full-time employees
• Retirees and retirees’ spouses under age 76
• Employee’s spouse/partner under age 76
• Employee’s Parents and Parents-in-law under age 76
• Employee’s Grandparents and Grandparents-in-law under age 76
• Employee’s or spouse’s Adult Children & their spouses and Siblings and their spouses under age 76

There is no age limit for employees.
Enrollment Underwriting

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Application</th>
</tr>
</thead>
</table>
| Eligible Full-time Employees and New Hires up to and including age 65 during initial enrollment/new hire period | Modified Guarantee Issue Comprehensive (MGIC)  
- 2 question form  
- Height / weight parameters  
- Pre-Existing Conditions Limitation applies*|
| Eligible Full-time Employees and New Hires over age 65 during initial enrollment/new hire period | Long Form  
- Medical records are requested  
- Full medical underwriting, which may include:  
  - Paramedical exam  
  - Functional/Cognitive Assessment  
  - Phone Health Interview|
| Spouses/Domestic Partners of Eligible Employees ages 18 - 75 during initial enrollment/new hire period | |
| All Other Applicants – ages 18-75 | |

*Pre-Existing Conditions Limitation: We will not pay for Covered Expenses incurred for any care or confinement that is a result of a Pre-Existing Condition when the care or Confinement begins within twelve months following the initial Certificate Effective Date. A pre-existing condition means a condition (illness, disease, injury or symptom) for which medical advice or treatment was recommended by, or received from, a Health Care Professional within 90 days prior to the initial Certificate Effective Date.
Why Act Now?

If you postpone the decision to buy...

- Underwriting requirements may change.
- You may not qualify due to future health issues.
- Your premiums will be established at your older age & higher rate.

EXAMPLE BASED ON

$3,000 Monthly Benefit
$72,000 Total Coverage
None Benefit Increase

This example is case specific and presents one of the plan designs available. Additional options are available at different costs.

LEARN MORE • GET A QUOTE • APPLY ONLINE
www.genworth.com/groupltc  Group ID: gettysburg  Code: groupltc
Key Advantages of This Program

- Spouses and other family members 18-75 can also apply with these customized group rates
- A 30-day free look is available
- Care coordination and other additional benefits are included at no additional cost
- Coverage is portable - you can take it with you if you leave your job or retire
- Your employer has pre-screened and supports this Program
- Flexible choices to match your needs and your budget
- Easy enrollment by web or paper

Available Billing Options

- Direct bill on quarterly or semi-annual basis or monthly electronic funds transfer
Industry Leading Experience*

40+ Years of Claims Experience
Providing Unparalleled Claims Service
Alzheimer’s Association
Annual Cost of Care Survey

Genworth is at their best when you need them most

Long Term Care Insurance Partnerships

The Pennsylvania Long Term Care Partnership
• Recognizes Partnership Qualified Long Term Care Insurance
• Helps to protect assets for residents who purchase Partnership Qualified LTCI
• Gives dollar-for-dollar asset protection for each dollar of benefits paid under qualified long term care insurance

Partnership Qualified Long Term Care Insurance
• Insurance under this Group Program qualifies where certified
• The appropriate inflation protection option must be selected
  - If you are not yet 61, 5% Compound Automatic Benefit Increases for Life Benefit Increase Option, 3% Compound Automatic Benefit Increases for Life Benefit Increase Option
  - If you are not yet 76, 3% Compound Automatic Benefit Increases for Life Benefit Increase Option
  - If you are older than 75, inflation protection is not required.

State regulations may change.
This information is current as of 01/01/2015
Three Key Decisions

1. Monthly Benefit Amount
2. Total Coverage Maximum
3. Benefit Increase Option
Next Steps

Take advantage of this limited-time offer of reduced underwriting during the enrollment period / Review your coverage options now:

2/22/2016 – 3/18/2016

Apply Online
www.genworth.com/groupltc

Call Customer Service
1 800.416.3624

Talk to your spouse, parents, parents-in-law, and grandparents about this program. They are also eligible to apply up to age 75.
Details You Should Know

- Rates are designed and priced for long term stability—however they could increase
- There is an elimination or waiting period.

**Care not covered includes:**
- Care for which no charge is made in the absence of insurance
- Care outside US except as covered by the international benefit
- Care by immediate family member except as covered by the informal care benefit
- Care by Veterans Administration or other government facility
- Care by a Worker’s Compensation or occupational disease act or law
- Care resulting from war or act of war, suicide or self inflicted injury, participation in a riot or felony, service in the armed forces, alcoholism or drug addiction
- Care or confinement that is the result of a pre-existing condition when such care or confinement begins within twelve months following your certificate date.

**Non-Duplication of Benefits.** We will reimburse only for covered expenses that exceed the amounts payable under:
- Medicare (including amounts reimbursable in the absence of a deductible or coinsurance amount)
- Any federal or state worker’s compensation, employer’s liability, or occupational disease law
- Any other federal, state or government health care or long term care program or law, except Medicaid.

**Coordination of Benefits:**
This program coordinates its benefits with all other group long term care insurance coverage that you have.

View important details in the Outline of Coverage at www.genworth.com/groupLtc
Additional Disclosures

• This insurance program is underwritten by Genworth Life Insurance Company.

• Coverage is provided under group policy 15173 issued to Gettysburg College using policy form 7053-POL/series 7053. Form numbers can vary by state, including a state specific variation. For example, in Pennsylvania, the certificate form number may read 7053CRT-PA.

• Coverage is intended to be tax qualified under IRS code 7702(B).

• State variations may apply. Refer to your outline of coverage for specific definitions, benefits, features, exclusions and limitations.

• This material is part of a solicitation for Group Long Term Care insurance.