



*Fortify Your Employees'
Financial Future with Long
Term Care Insurance*

Simplicity[†]

MEDAmerica

An Excellus Company

†CareDirections Simplicity® and SimplicitySM are long term care insurance products of MedAmerica Insurance Company and MedAmerica Insurance Company of New York.

Simplicity⁺

We've taken the complexity out of long term care insurance with a product that pays CASH and worksite programs that make it EASY to offer long term care insurance to your employees.

Choice & Control

Each year millions of Americans become disabled due to injury, chronic medical conditions, or simply through the aging process.

For most, the need for care will extend beyond hospitalization or rehabilitation. And for the first time, they'll need assistance doing the everyday things they've always taken for granted.

The emotional impact of compromised health takes a heavy toll. And since health and disability insurance do not typically cover extended care in or outside the home, the financial toll can be even greater.

It's especially difficult for those who thought they were prepared and didn't even realize their financial future was at risk.

But there is a simple solution. Long term care insurance helps people protect their life savings and safeguard their independence. It gives your employees choice and control regarding who will provide the care they need and where they will receive it.

Long Term Care— the Risk You Share

At the end of 2005, nearly 7,300 employers sponsored a long term care program.¹

Why has long term care insurance become so important to so many employers and their employees?

Because they realize it's a risk that affects the health of both employees and their companies.

Understanding the Facts

The Risk is Real

- 43% of all long term care services are provided to individuals under age 65.²
- After age 65, an American has more than a 70% chance of needing some form of long term care.³

The Cost is High

- The average hourly cost of a health aide who gives in-home care is \$19. It's double that for a licensed nurse. If you needed round-the-clock care from a nurse, you would have to pay more than \$300,000 a year.⁴
- On average, individuals providing care for a family member will lose \$566,000 in wages, \$25,000 in Social Security, and \$67,000 in pension contributions.⁵

And Beyond Assets

- The average 21st century American is projected to spend more years taking care of aging family than raising children.⁶
- An estimated 60% of disabled individuals rely exclusively on their families for care.⁷

Advice for Employers

- Offering long term care insurance is an easy, affordable way to protect your employees and their families against the risk of needing long term care services.
- With long term care as a financial risk of highest concern for employees, they look to their employers as the primary source for information and availability of long term care.⁸
- 82% of employees that purchased a long term care insurance policy indicated that the sponsorship by their employer was a very important factor in their decision to purchase the coverage.⁹
- By providing leading-edge employee benefits you demonstrate your leadership, show that you value your workforce, optimize retention of key employees, and help secure and complete your employees' future retirement plans.

Protecting Your Employees Now and in the Future.

Helping your Employees Face an Uncertain Future.

As a responsible employer, you already take steps to protect your employees. Chances are, you offer a 401(k) plan and other programs to help them prepare for retirement. But without long term care insurance, they risk depleting the assets they've worked so hard to build. More than 50% of Americans will need some form of long term care, home care or institutional care, at some point in their lives.¹⁰

With neither health insurance, disability insurance nor Medicare designed to provide coverage, the cost and responsibility of meeting care needs falls to the employee and/or their family.

And while that risk may seem far in the future for

your employees, as an employer, you need to be aware that in the short term, many of them will face long term care issues as they become caregivers to parents and other family members. In fact, elder care is expected to replace childcare as the #1 dependent concern for employees. With long term care issues weighing heavily on employees, you can champion a solution that can be of little or no cost to you.

Yes, there's an intelligent and affordable solution to help fortify the financial security for everyone touched by the need for long term care services: Simplicity long term care insurance—*the highest-rated LTC product on the market today.*¹¹

You don't have to be an insurance expert to choose Simplicity. Everyone understands cash, and that's what Simplicity provides.

Yes, Simplicity pays a monthly cash benefit regardless of services used or amounts spent. An eligible policyholder can use their monthly cash benefit for care as they choose—whatever they need from whomever they want, wherever they are, anywhere in the world—without policy restrictions or limitations.

You can help your employees and their families

prepare for the unexpected today and secure their financial future for tomorrow by providing them with long term care insurance so flexible that when the need for coverage arises, there are no questions as to what's covered. Through Simplicity, employees can have coverage to fit their lifestyle, rather than change their lifestyle to fit their coverage.

Intelligent & Affordable

In the long run, what benefits your employees benefits you.

In today's business climate, each individual employee is critical to your company's overall success. Therefore, attracting and retaining first-rate employees is the key to remaining competitive. Life, health and disability insurance, and a 401(k) plan just aren't enough anymore. To truly show your loyalty to your workers, you need to make sure there are no holes in their financial planning—no pitfalls that could undo years of hard work. Even in times of corporate belt-tightening, particularly around employee benefits, long term care insurance can be provided at little or no cost to the employer. Offering long term care insurance lets you demonstrate your leadership and show the extent of your commitment to your staff. It can give your company a point of difference that's meaningful to both existing and prospective employees. And most of all, it's simply the right thing to do.

There's an intelligent and affordable solution to help fortify the financial security for everyone touched by the need for long term care services: Simplicity long term care insurance—the highest-rated product on the market today!

We'll work with you to create a plan that's right for your company.

- We're committed to helping you put your employees on solid ground. That's why we offer flexible alternatives designed to meet your specific needs—no matter what your budget or business philosophy.
- Adding an employer-sponsored long term care program to your benefit program can be done with very little administrative effort and at *no cost to you*.
- Our communication program is easily customized to fit your company, focusing on educating your employees so that they become informed consumers.

Flexible Plans Allow You to Meet Your Business Objectives

Whatever your business objectives and the needs of your employees, we have a plan that can be designed to fit.

“A secure retirement depends not only on accumulating sufficient assets, but also upon protecting those assets, particularly from the potentially devastating expenses of long-term care.”

Paul J. Yakoboski,

“Understanding the Motivations of Long-Term Care Insurance Owners: The Importance of Retirement Planning”

Benefits Quarterly,
Second Quarter 2002.

Employer-Paid Base Plan with Employee Buy-Up Provision

Employer-paid programs offer a low-cost way to maximize employee participation and retention. What’s more, these programs can provide both you and your employees favorable tax advantages such as tax-deductible premiums and tax-free benefits.

With an employer-paid program, you can:

- Select a 100% employer-paid base plan for all employees.
- Select a 100% employer-paid base plan for employees based on years of service, age, or a combination of the two.
- Predetermine the percentage of contribution for all or some of your employees.
- Custom design a plan to meet your budget and needs.

KeySelect Program

Our KeySelect Program offers an attractive way to provide enhanced benefits to officers, executives, board members and other key contributors because:

- The plan is not subject to discrimination testing under IRC105(b) so you can select the participants in the program.
- Premiums may be tax deductible as a business expense. There is no imputed income to the employee.
- Benefits are tax-free.

Voluntary Employee-Paid Plan

If your company does not elect to offer 100% paid benefit, you can still contribute a percent of premium or a flat amount. Even if there is no contribution, offering a long term care insurance program is still important.

- Provides an opportunity to educate your employees on important issues related to long term care.
- Gives employees and their extended family members the opportunity to purchase at group rates.
- Allows them to take advantage of favorable medical underwriting.
- Gives the employee an opportunity to purchase at younger ages, making the premium most affordable.

Top 10 Ranking

Why do Employers Choose MedAmerica?

Clearly, more and more employers are recognizing the tangible and intangible benefits of fortifying their benefit programs designed to improve the quality of their employees' lives. And there's no one better able to help you implement a quality LTCi program than MedAmerica, an industry leader. Ranked among the Top 10 in the Group market (LIMRA, 2005) and insurer of several state employers, Fortune 500 companies, and employers of all sizes, MedAmerica offers the highest quality product backed by these solid credentials:

- Underwrites and insures LTC exclusively.
- No rate increases in our history as an insurer.
- Solid financial ratings.
- Paid more than \$140 million in claims.



Act now.

Call your Agent or Broker today to create a long term care insurance program that's perfect for your business. Do it now. Every minute that you wait puts your employees needlessly at risk.

¹ "The Marketer," Vol. 13, No. 1, 2006 LIMRA International

² American Health Care Association, 2004

³ "Americans Fail to Act on Long Term Care Protection," American Society on Aging, May 2003

⁴ "Why You Need Long Term Care Insurance," The Kiplinger Letters, November 7, 2005

⁵ "Focusing on Retirement Needs: The Period After Retirement," Journal of Financial Service Professionals, July 2000

⁶ "Age Power," Ken Dychtwald, Ph.D., 1999

⁷ U.S. Accounting Office Testimony before Committee of Finance, U.S. Senate 2001

⁸ LTCI: An Industry at the Crossroads, LIMRA International, 2004

⁹ Ibid.

¹⁰ Life Plans, Inc., January 2001

¹¹ SellingLTC.com



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