

SERFF Tracking Number: PHYS-125364723 State: Arkansas
Filing Company: Physicians Mutual Insurance Company State Tracking Number: 37445
Company Tracking Number:
TOI: LTC06 Long Term Care - Other Sub-TOI: LTC06.000 Long Term Care - Other
Product Name: LTC
Project Name/Number: PMA2116-1107/PMA2116-1107

Filing at a Glance

Company: Physicians Mutual Insurance Company

Product Name: LTC SERFF Tr Num: PHYS-125364723 State: ArkansasLH
TOI: LTC06 Long Term Care - Other SERFF Status: Closed State Tr Num: 37445
Sub-TOI: LTC06.000 Long Term Care - Other Co Tr Num: State Status: Filed-Closed
Filing Type: Advertisement Co Status: Reviewer(s): Marie Bennett, Harris Shearer
Authors: Sonya Dickey, Sara Magee-Garcia Disposition Date: 05/22/2008
Date Submitted: 11/20/2007 Disposition Status: Filed
Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

General Information

Project Name: PMA2116-1107 Status of Filing in Domicile: Not Filed
Project Number: PMA2116-1107 Date Approved in Domicile:
Requested Filing Mode: Review & Approval Domicile Status Comments:
Explanation for Combination/Other: Market Type: Individual
Submission Type: New Submission Group Market Size:
Overall Rate Impact: Group Market Type:
Filing Status Changed: 05/22/2008 Deemer Date:
State Status Changed: 05/22/2008
Corresponding Filing Tracking Number: PMA2116-1107
Filing Description:
RE: Long Term Care Advertisement
Frequently Asked Questions Brochure: PMA2116-1107

The above referenced material is being submitted for your review and approval.

This material will be used by licensed to create an interest in the following Long Term Care Policies:

SERFF Tracking Number: *PHYS-125364723* State: *Arkansas*
Filing Company: *Physicians Mutual Insurance Company* State Tracking Number: *37445*
Company Tracking Number:
TOI: *LTC06 Long Term Care - Other* Sub-TOI: *LTC06.000 Long Term Care - Other*
Product Name: *LTC*
Project Name/Number: *PMA2116-1107/PMA2116-1107*

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Marie Bennett	05/22/2008	05/22/2008

SERFF Tracking Number: *PHYS-125364723* *State:* *Arkansas*
Filing Company: *Physicians Mutual Insurance Company* *State Tracking Number:* *37445*
Company Tracking Number:
TOI: *LTC06 Long Term Care - Other* *Sub-TOI:* *LTC06.000 Long Term Care - Other*
Product Name: *LTC*
Project Name/Number: *PMA2116-1107/PMA2116-1107*

Disposition

Disposition Date: 05/22/2008

Implementation Date:

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: *PHYS-125364723* State: *Arkansas*
Filing Company: *Physicians Mutual Insurance Company* State Tracking Number: *37445*
Company Tracking Number:
TOI: *LTC06 Long Term Care - Other* Sub-TOI: *LTC06.000 Long Term Care - Other*
Product Name: *LTC*
Project Name/Number: *PMA2116-1107/PMA2116-1107*

Item Type	Item Name	Item Status	Public Access
Form	PMA2116-1107		Yes

SERFF Tracking Number: *PHYS-125364723* State: *Arkansas*
 Filing Company: *Physicians Mutual Insurance Company* State Tracking Number: *37445*
 Company Tracking Number:
 TOI: *LTC06 Long Term Care - Other* Sub-TOI: *LTC06.000 Long Term Care - Other*
 Product Name: *LTC*
 Project Name/Number: *PMA2116-1107/PMA2116-1107*

Form Schedule

Lead Form Number: PMA2116-1107

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	PMA2116-1107	Advertising	PMA2116-1107	Initial		0	PMA2116-1107.pdf

How can I design a plan that is right for me?

Your agent/producer will be able to help you establish a plan that best fits your needs and budget.

When you decide on the type of coverage you may require, keep in mind that the need for long-term care may begin gradually as you find that you need more help at home with various activities, such as bathing and dressing. Or you may suddenly need long-term care after major illness, such as a stroke or heart attack.

The amount of coverage you need will depend on your age, overall retirement goals, income and assets. You should also think about the cost of long-term care services in your area. All these considerations will help you to determine the amount of long-term care insurance you need.

Long-term care insurance can help put you in control of your choices in planning for the future.

The phrase “long-term care” covers a broad range of services and concepts, and it can be difficult to make a decision about long-term care insurance without knowing the facts.

Physicians Mutual Insurance Company wants you to be able to make informed choices about long-term care insurance. We hope that the information in this brochure will make it easier for you to design a long-term care insurance plan right for you.

Make the right choices today for tomorrow’s needs.

For More Information

If you would like more information about long-term care insurance or to request the *Shopper’s Guide to Long-Term Care Insurance*, please contact your agent/producer.

For additional information, visit us on the web at www.PhysiciansMutual.com.

[Agent/Producer Name],
Agent/Producer
[address if necessary]
[city, state, zip]
[(xxx) xxx-xxxx] or
[1-800-xxx-xxxx]
[email@wherever.com]

*Physicians Mutual does not provide tax advice. Please consult your tax or financial advisor for questions.
**In Oregon and Pennsylvania: Physicians Certification of Medical Necessity

All information and statistics are from *A Shopper’s Guide to Long-Term Care Insurance*, 2006, published by the National Association of Insurance Commissioners. The NAIC is an association of state government officials, which publishes the *Shopper’s Guide* to assist consumers.

Ohio residents, Please note: You can obtain free information about long-term care insurance from the Ohio Department of Insurance. Call toll-free 1-800-686-1526.

This is a solicitation of insurance. An agent/producer will contact you with complete details, including costs and limitations of the coverage.

Insurance Policy Kinds: P145/P146/P147/P148

GA: P145GA/P146GA/P147GA/P148GA; ID: P145ID/P146ID/P147ID/P148ID; LA: P145LA/P146LA/P147LA/P148LA

OK: P145OK/P146OK/P147OK/P148OK; OR: P145OR/P146OR/P147OR; PA: P145PA/P146PA;

TN: P146TN/P147TN/P148TN

Not all products and benefits are available in all states.

Physicians Mutual Insurance Company®

VISTA Care™
Choices

Frequently
Asked
Questions

Long-Term Care Insurance

Physicians Mutual Insurance Company®



PMA2116-1107

What is long-term care?

There are many different definitions for specific kinds of long-term care, but a general summary is this: Long-term care is care that helps a person live with an extended physical illness, a disability or cognitive impairment (such as Alzheimer's disease).

Long-term care services may include nursing home care, but can also cover much more, such as home health care, respite care, assisted living, hospice care, adult day care or assistance with the Activities of Daily Living.

It is hard to know if and when you may need long-term care. But if you're concerned about the effect long-term care may have on your family and finances, you'll want insurance that will help you protect them.

What is long-term care insurance?

Long-term care insurance helps protect your family and finances from the high costs that may come if you have an extended illness and need assistance.

Taking care of a loved one can be very tiring and costly for your family. Long-term care insurance can provide them with the financial means they may need while giving you the proper care.

If you're worried about taking money from your retirement savings, long-term care insurance may be the right choice. Remember, if you do end up taking funds from your retirement savings, you may not have enough money left over to do everything that you had planned for your retirement. A plan can be customized to fit your individual needs.

What does long-term care insurance cover?

Long-term care insurance coverage is not standardized, so benefits vary from policy to policy, and from company to company. Long-term care insurance policies may include coverage for: nursing home care, home health care, personal care in your home, services in assisted living facilities, services in adult day care centers and services in other community facilities. It is important to know exactly what services are covered when you consider purchasing a long-term care insurance policy.

Do other health plans pay for long-term care?

Major medical health plans, Medicare and Medicare Supplement insurance usually will not pay for long-term care. Medicare's skilled nursing facility (SNF) benefit does not cover most nursing home care and does not cover homemaker services.

Does Medicaid pay for long-term care?

It can, but to qualify for Medicaid, you must meet federal and state guidelines for income and assets; that means that you may have to "spend down" or use up most of your assets before Medicaid is able to help. In other words, you may be required to diminish the value of the estate you wish to pass to your heirs to receive Medicaid assistance for long-term care.

What is a "tax-qualified" long-term care policy?

Long-term care insurance policies fall into two tax categories: tax-qualified and non-tax-qualified. If you have a tax-qualified policy and you itemize your deductions, you may be able to deduct part or all of the premiums you pay by adding them to your other deductible medical expenses. Non-tax-qualified plans could provide easier access to benefits but how the payments are taxed is unclear. Consult your tax or financial advisor for more information.*

How are benefits triggered?

"Benefit triggers" is a term a company uses to describe the way it decides when to pay benefits.

Types of Benefit Triggers:

Activities of Daily Living - The inability to perform Activities of Daily Living, or ADLs, is the most common way insurance companies decide when you are eligible for benefits. The ADLs most companies use are bathing, continence, dressing, eating, toileting and transferring. Typically, a policy pays benefits when you can't perform a certain number of the ADLs, such as three of the six or two of the six.

Cognitive Impairment - Many long-term care insurance policies also pay benefits for "severe cognitive impairment" or mental incapacity. The policy usually pays benefits if you can't pass certain tests of mental function.

*Licensed Health Care Practitioner** Certification of Medical Necessity* - Some non-tax-qualified long-term care insurance policies will pay benefits if your licensed health care practitioner** orders or certifies that the care is medically necessary.

The policy and the outline of coverage usually describe the benefit triggers. Look for a section called "Eligibility for the Payment of Benefits" or simply "Eligibility for Benefits."

What is an Elimination Period?

With many policies, your benefits won't start the first day you go to a nursing home or start using home care. Most policies have an Elimination Period (sometimes called a deductible or a waiting period). Some Elimination Periods allow quicker access to your benefits.

Types of Elimination Periods:

Days of Service - The days that count toward your Elimination Period are only those days that you actually receive covered services.

Days of Illness - The days that count toward your Elimination Period are all days you are ill.

What happens when long-term care costs rise?

Inflation protection can be one of the most important additions you can make to a long-term care insurance policy. Inflation protection increases the premium. However, unless your benefits increase over time, years from now you may find that they haven't kept up with the rising cost of long-term care. The cost of nursing home care has been rising at an annual rate of 5% for the past several years. This means that a nursing home that cost \$150 a day in 2000 will cost \$398 a day in 20 years, if inflation is 5% a year.

What tips should I keep in mind when shopping for long-term care insurance?

- Ask questions (and keep asking until you understand!)
- Understand the policies. Make sure you know what the policy covers and what it doesn't.
- Take your time and compare outlines of coverage.
- Think about having the premium automatically taken out of your bank account (automatic withdrawal). This way you won't have to worry about sending in your premium each month.
- Check on the financial stability of the company from which you're thinking about buying the policy.

SERFF Tracking Number: *PHYS-125364723* *State:* *Arkansas*
Filing Company: *Physicians Mutual Insurance Company* *State Tracking Number:* *37445*
Company Tracking Number:
TOI: *LTC06 Long Term Care - Other* *Sub-TOI:* *LTC06.000 Long Term Care - Other*
Product Name: *LTC*
Project Name/Number: *PMA2116-1107/PMA2116-1107*

Rate Information

Rate data does NOT apply to filing.