

State: Arkansas **Filing Company:** State Farm Mutual Automobile Insurance Company
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.004 Partnership
Product Name: Long Term Care Sales Booklet, Statefarm.com Pages
Project Name/Number: Long Term Care Sales Booklet, Statefarm.com Pages/SMH-60012 P AR.6

Filing at a Glance

Company: State Farm Mutual Automobile Insurance Company
Product Name: Long Term Care Sales Booklet, Statefarm.com Pages
State: Arkansas
TOI: LTC03I Individual Long Term Care
Sub-TOI: LTC03I.004 Partnership
Filing Type: Advertisement
Date Submitted: 12/18/2012
SERFF Tr Num: SFCM-128816688
SERFF Status: Closed-Approved
State Tr Num:
State Status: Approved-Closed
Co Tr Num: SMH-60012 P AR.6

Implementation: On Approval
Date Requested:
Author(s): Sandy Barnes, Sherry Boitnott, Regina King, Maureen Macak
Reviewer(s): Donna Lambert (primary)
Disposition Date: 12/18/2012
Disposition Status: Approved
Implementation Date:

State Filing Description:

State: Arkansas Filing Company: State Farm Mutual Automobile Insurance Company
 TOI/Sub-TOI: LTC031 Individual Long Term Care/LTC031.004 Partnership
 Product Name: Long Term Care Sales Booklet, Statefarm.com Pages
 Project Name/Number: Long Term Care Sales Booklet, Statefarm.com Pages/SMH-60012 P AR.6

General Information

Project Name: Long Term Care Sales Booklet, Statefarm.com Status of Filing in Domicile: Not Filed Pages

Project Number: SMH-60012 P AR.6
 Requested Filing Mode: Review & Approval

Date Approved in Domicile:
 Domicile Status Comments: We are not required Long Term Care Advertising material in our Domicile State of Illinois.

Explanation for Combination/Other:
 Submission Type: New Submission
 Overall Rate Impact:

Market Type: Individual
 Individual Market Type:
 Filing Status Changed: 12/18/2012
 State Status Changed: 12/18/2012

Deemer Date:
 Submitted By: Regina King

Created By: Regina King
 Corresponding Filing Tracking Number:

Filing Description:

Re: State Farm Mutual Automobile Insurance Company
 NAIC #176-25178
 Individual Long Term Care Marketing Material
 Filing #: SMH-60012 P AR.6

Forms#	Form Name	Replaces	Approved	Tracking#
SMH-60012 P AR.6	Long Term Care Sales Booklet	SMH-60012 P AR.5	7/18/2012	SFCM- 128564559
LTC-AR.2	LTC Statefarm.com	LTC-AR.1	7/18/2012	SFCM-128511561
Benefit Page				

Enclosed for filing on behalf of the State Farm Mutual Automobile Insurance Company of Bloomington, Illinois are the referenced advertising forms. These forms are being filed for use in your state and contain information regarding Individual Long Term Care.

The only changes to these forms will be the removal of the 10 year benefit factor and updated form numbers. The 10 year benefit option was removed from the section 'Is there a maximum benefit?' on form LTC-AR.2. On form SMH-60012 P AR.6 the 10 year benefit option was removed from pages 12 and 21.

Form SMH- 60012 P AR.6 is printed/published material that will be used in a licensed State Farm Agent's office. It will be given to an insured that is interested in additional information about State Farm LTC products. The LTC-AR.2 page will be available on Statefarm.com.

This marketing material will be used with policy series numbers 97062AR, 97062SAR and 97062CAR approved March 1, 2012 under SERFF # STFH-128002426.

The format and colors that are on the internet pages are variable and may change from year to year.

We are not required to file Long Term Care marketing pieces in Illinois.

The effective date of these materials will be upon your approval or as soon as possible thereafter.

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Company and Contact

Filing Contact Information

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Filing Company Information

State Farm Mutual Automobile Insurance Company
 CoCode: 25178
 State of Domicile: Illinois
 One State Farm Plaza
 Group Code: 176
 Company Type:
 Laura Walters / Marketing D-3
 Group Name:
 State ID Number:
 Bloomington, IL 61710
 FEIN Number: 37-0533100
 (309) 763-8104 ext. [Phone]

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? Yes
 Fee Explanation: \$50.00 per advertising form = \$100.00
 Per Company: No

Company	Amount	Date Processed	Transaction #
State Farm Mutual Automobile Insurance Company	\$100.00	12/18/2012	65850234

SERFF Tracking #:

SFCM-128816688

State Tracking #:

Company Tracking #:

SMH-60012 P AR.6

State:

Arkansas

Filing Company:

State Farm Mutual Automobile Insurance Company

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.004 Partnership

Product Name:

Long Term Care Sales Booklet, Statefarm.com Pages

Project Name/Number:

Long Term Care Sales Booklet, Statefarm.com Pages/SMH-60012 P AR.6

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Donna Lambert	12/18/2012	12/18/2012

SERFF Tracking #:

SFCM-128816688

State Tracking #:

Company Tracking #:

SMH-60012 P AR.6

State:

Arkansas

Filing Company:

State Farm Mutual Automobile Insurance Company

TOI/Sub-TOI:

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Product Name:

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Project Name/Number:

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Disposition

Disposition Date: 12/18/2012

Implementation Date:

Status: Approved

Comment: Thank you for your detailed explanation of the changes to the forms.

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Form	Long Term Care Sales Booklet	Approved	Yes
Form	LTC Statefarm.com Benefit Page	Approved	Yes

State: Arkansas

Filing Company:

State Farm Mutual Automobile Insurance Company

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.004 Partnership

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Project Name/Number: Long Term Care Sales Booklet, Statefarm.com Pages/SMH-60012 P AR.6

Form Schedule

Lead Form Number: SMH-60012 P AR.6

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
						Previous Filing Number:	Replaced Form Number:		
1	Approved 12/18/2012	Long Term Care Sales Booklet	SMH-60012 P AR.6	ADV	Revised	Previous Filing Number:	SFCM-128564559		SMH-60012_P_AR.6_(LTCBooklet).pdf
						Replaced Form Number:	SMH-60012 P AR.5		
2	Approved 12/18/2012	LTC Statefarm.com Benefit Page	LTC-AR.2	ADV	Revised	Previous Filing Number:	SFCM-128511561		LTC-AR.2.pdf
						Replaced Form Number:	LTC-AR.1		

Form Type Legend:

ADV	Advertising	AEF	Application/Enrollment Form
CER	Certificate	CERA	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	FND	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	NOC	Notice of Coverage
OTH	Other	OUT	Outline of Coverage
PJK	Policy Jacket	POL	Policy/Contract/Fraternal Certificate
POLA	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	SCH	Schedule Pages

LONG-TERM CARE INSURANCE



Providing Insurance and Financial Services

TABLE OF CONTENTS

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A short look at Long-Term Care

Introduction

Retirement? Maybe a better word is “independence.” The freedom to do more of the things you want to do, like catching up on hobbies, spending more time with family, or working just because you want to.

Sound good? Then whether you’re looking forward to retirement or you’re already retired, you’ll want to plan ahead so you can maintain your independence. That means protecting the assets you’ve worked so hard to save. Your **State Farm Mutual Automobile Insurance** (State Farm®) agent can help, with a financial strategy that’s right for you. One important step: A State Farm Long-Term Care Insurance policy, to pay for the care you need if your health changes and you can no longer care for yourself.

What is long-term care?

As we get older, we may need a little more help. Sometimes we reach the point when we’re unable to care for ourselves—because of an illness, injury, gradual frailty, or a severe cognitive impairment such as Alzheimer’s disease. We may need help with daily activities, or more specialized care. That’s where long-term care insurance comes in—you could receive thousands of dollars in benefits to help pay for the care you may need in the future. Doesn’t that sound better than tapping into your retirement savings to pay for your care?

Five questions to ask about long-term care

1. *How could the costs of long-term care affect your finances?*

With long-term care costs projected to rise dramatically in the near future,¹ these expenses could quickly eat into your retirement savings and your family's assets, dramatically affecting your standard of living.

2. *How will you afford your choice of care?*

- **Pay for the cost yourself** – Will you have enough to cover your long-term care expenses while maintaining your standard of living?
- **Depend on Medicare/Medicaid** – Medicare pays a limited amount in certain circumstances, and Medicaid is designed only for people at or below the poverty level.
- **Other medical insurance** – Most medical insurance plans generally don't cover long-term care expenses.
- **Depend on family** – This type of care is physically and emotionally demanding. Is this what you want for your family? Is this what your family wants?
- **Long-term care insurance** – A State Farm Long-Term Care Insurance policy will help you pay your eligible long-term care expenses, while helping protect your family and personal assets.

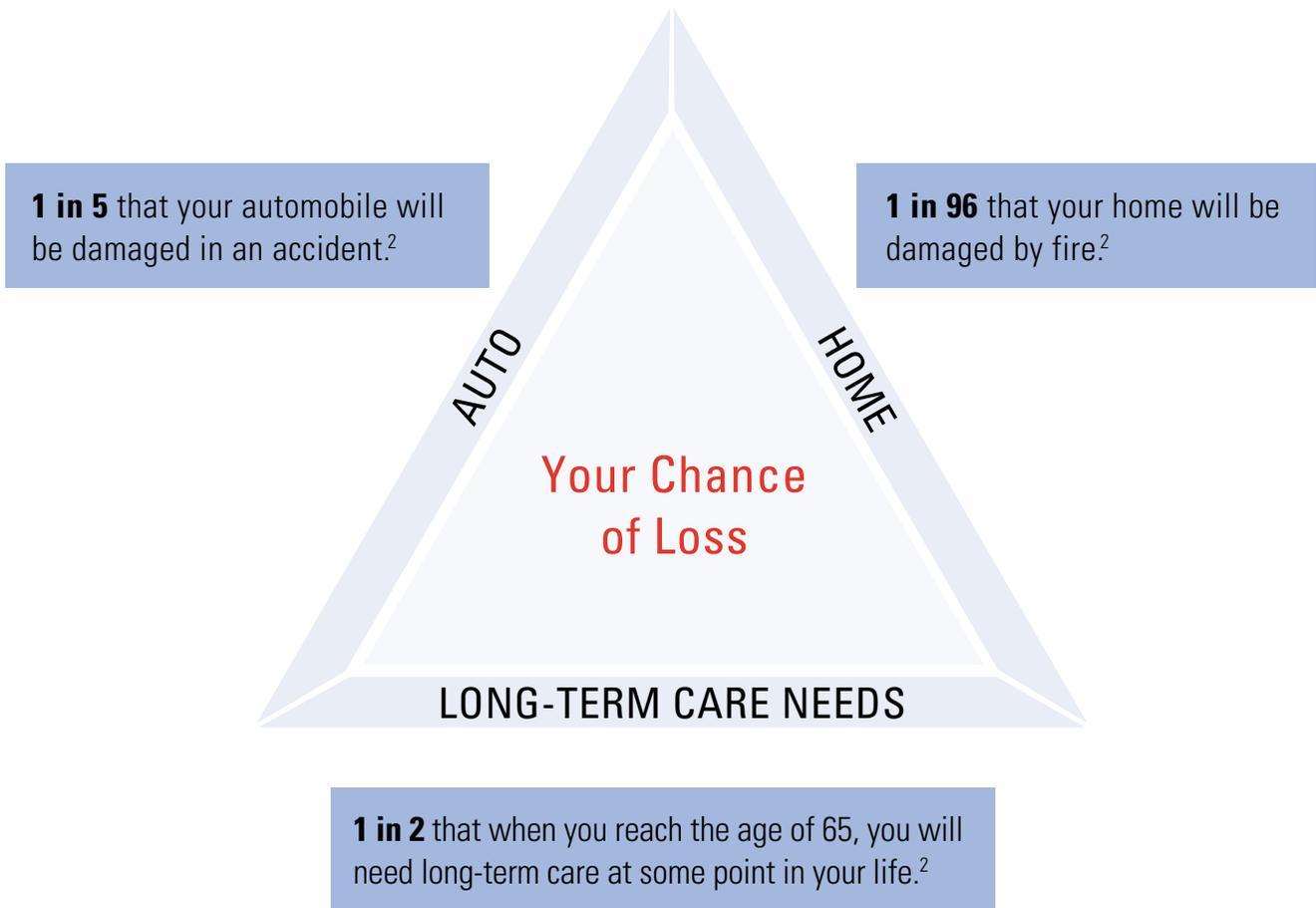
3. *What are your options for long-term care services?*

- **The comfort of your own home** – Nursing aide or other caregiver assistance is provided as needed—possibly up to 24 hours per day.
- **Adult day care** – A community program designed to provide services or supervision during the day.
- **An assisted living facility** – A facility allowing more independent living but with access to professional care around the clock.
- **A nursing home** – A facility capable of providing skilled and custodial services for those who require higher levels of care and attention.

¹Long-Term Care Insurance: Protection for Your Future. American Council of Life Insurers. Washington, D.C. 2007.

4. *What are your chances of needing long-term care?*

- **Your chances of loss** – Most of us wouldn't dream of living without auto or home insurance. But the odds are that you're more likely to need long-term care than get into a car accident or experience a fire in your home.



5. *Why choose the State Farm Long-Term Care Insurance policy?*

State Farm has consistently received high ratings for financial strength and claims paying ability from independent rating agencies. You can feel confident that State Farm will be there for you.

Independent Ratings for 2009: A.M. Best® A++; Fitch Ratings® AA+; Standard & Poor's® AA.

²2007 Field Guide, National Underwriter Company.

The long and short of long-term care costs

If you ever need long-term care, it may cost you a pretty penny. Here are some recent figures:

- Agency-provided homemaker/companion services average \$17.50/hour nationally.³
- Visits from home health aides average \$18.50/hour nationally.³
- A stay in a nursing home costs \$203 a day on average.⁴

So how much could your care cost? Let's look at a hypothetical example:

Melinda was healthy and active until she suffered a stroke. To continue living in her home, Melinda needed part-time care five days a week, at \$18.50 an hour. Five years later, she had another stroke that completely paralyzed her right side. Due to her increased need for care, she moved to a nursing home at \$203 a day, where she lived for the remaining three years of her life.

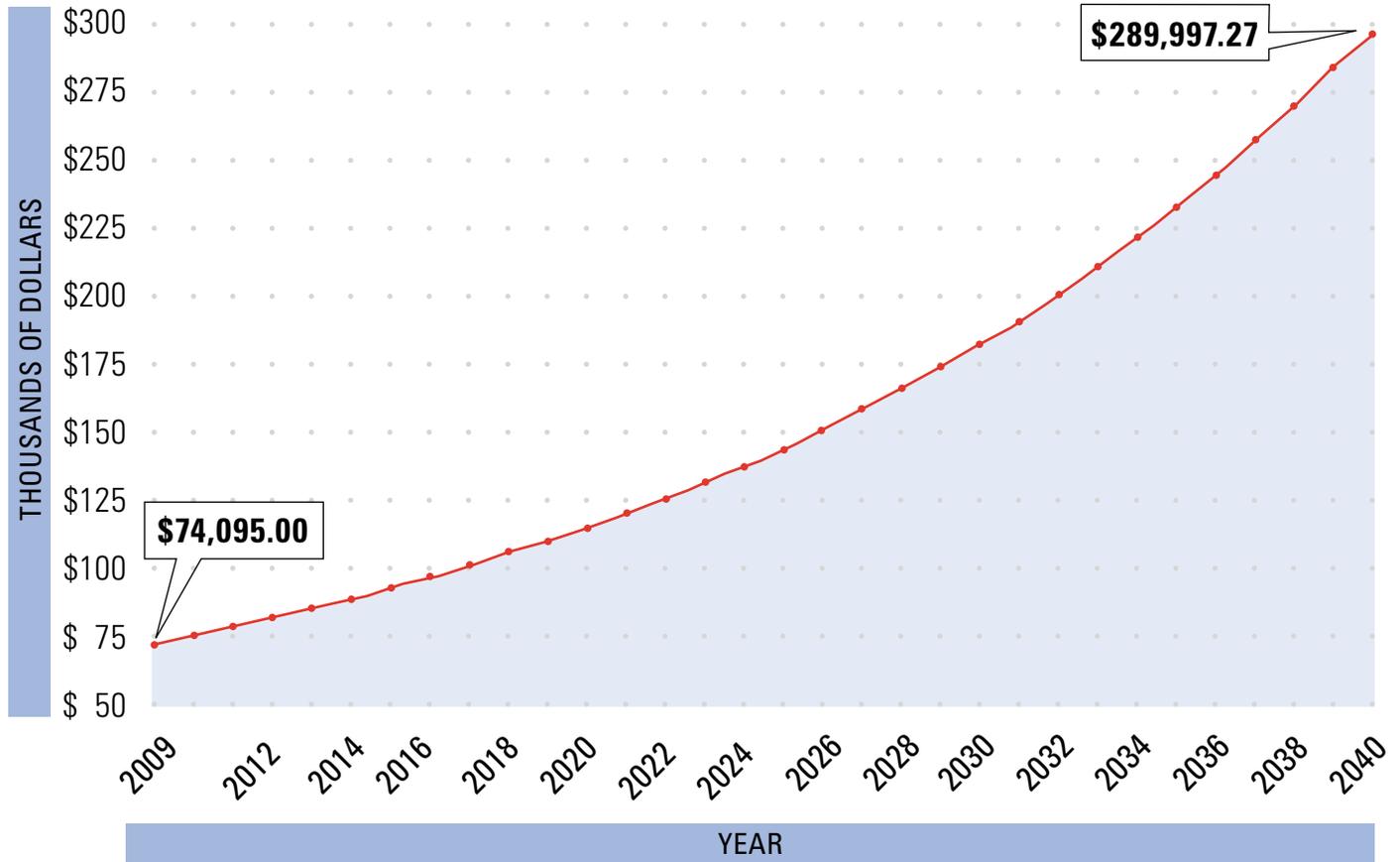
WHAT WAS THE COST OF MELINDA'S CARE?		
Home health care:	\$148 per day x 5 days a week x 52 weeks for 5 years	\$38,480 x 5
Home health care total		\$192,400
Nursing home care:	\$203 per day x 365 days for 3 years	\$74,095 x 3
Nursing home care total		\$222,285
Total cost of Melinda's long-term care		\$414,685

³National Statistic: Genworth 2009 Cost of Care Survey, conducted by CareScout®, April 2009.

⁴National Statistic: Based on rates for a private nursing home room. Genworth 2009 Cost of Care Survey, conducted by CareScout®, April 2009.

Believe it or not, these costs are on the rise. In fact, the total increase in nursing home expenditures is expected to be around 4.5 percent a year.⁵ Here's what that increase means in potential costs to you:

Rising cost of care in a nursing facility



You need to know the facts about these dramatically rising costs, and how they could impact your finances. There are plenty of misconceptions out there about the cost of long-term care, the kind of financial assistance available, and the conditions under which you can receive it.

⁵National Statistic: Genworth Financial. Genworth Financial 2010 Cost of Care Survey. Conducted by CareScout, an independent research firm. April 2010.

Paying for long-term care: Myths and realities

MYTHS	REALITIES
My Medicare Supplement Plan or Long-Term Disability Plan will cover long-term care costs.	Actually, they won't. These policies are not designed to cover expenses for ongoing long-term care services.
I'll pay for my long-term care costs out of my own savings.	Home health aides average \$18.50 an hour, ³ and nursing home costs average \$203 a day. ⁴ How long could you pay for these expenses before you spend all of your savings?
Medicare will pay for it.	Medicare only pays for a limited amount of skilled care to help you recover from an acute condition as long as you are improving. It has limited benefits for custodial care for short periods of time.
I'll spend all of my money until I qualify for Medicaid.	When Medicaid pays your long-term care costs, the government may limit benefits for specific services or require additional criteria be satisfied before approving or paying benefits. This may mean they only pay for care in certain nursing homes or limits the type and number of home health care services you might prefer and need. Be sure to check with facilities and home care agencies in your area to learn of any requirement or limitations before securing services.
My family will take care of me.	With long-term care insurance, your family can spend quality time with you, instead of spending their money and time taking care of you.

³National Statistic: Genworth 2009 Cost of Care Survey, conducted by CareScout®, April 2009.

⁴National Statistic: Based on rates for a private nursing home room. Genworth 2009 Cost of Care Survey, conducted by CareScout®, April 2009.



It pays to think about the future

The sooner you prepare for the future with a Long-Term Care insurance policy, the better off you'll be. Here's why:

- **Lower premium costs** – Your policy premiums depend on your age when you purchase the policy. So the sooner you buy, the lower your premium.⁶
- **Spousal discount** – If you and your spouse both apply for a State Farm Long-Term Care Insurance policy, you could receive a 30 percent per person, per policy, discount on your premiums—even if only one of you is insurable.
- **Eligibility** – It's best to buy the policy while you're eligible. If you wait, you'll only be able to purchase the policy at a much higher premium or your health may change so that you'll be ineligible.
- **Increased care costs** – Total long-term care costs are expected to rise dramatically in the near future.¹ A Long-Term Care insurance policy will help ensure you have the means to cover these costs, especially if you add inflation protection coverage.

¹Long-Term Care Insurance: Protection for Your Future. American Council of Life Insurers. Washington, D.C. 2007.

⁶Premium rates are subject to increase on a class basis.

Coverage that fits your life

Everyone is different, with different needs. That's why State Farm allows you to choose the amount of coverage that's right for you.

- **Maximum Daily Benefit** – This is the most your policy will pay for each day of qualified long-term care services you receive. You choose the amount, from \$100 to \$500 per day.
- **Benefit Factor** – You decide how long your policy will pay for your long-term care.
 - 2 years - 3 years - 5 years
- **Maximum Lifetime Benefit** – This is the total benefit amount you will have available to pay for your care while the policy is in force. To figure this amount, multiply the amounts you chose for your Maximum Daily Benefit and the Benefit Factor.

For example: Maximum Daily Benefit of \$250 x Benefit Factor of 1,095 days (3 years) = \$273,750.

When deciding how long you wish to receive benefits, remember that the policy may pay you for a longer or shorter timespan than the period you choose. That's because your policy will continue paying benefits until your Maximum Lifetime Benefit is exhausted, which may be longer than your chosen Benefit Factor. Let's see how this works:

How long could your Maximum Lifetime Benefit of \$273,750 last if the cost of care was \$200 per day?

Three years of care:	\$200 a day x 365 days x 3 years	\$219,000
Amount paid by policy:	\$200 a day x 365 days x 3 years	\$219,000
Maximum Lifetime Benefit amount remaining after three years:	\$273,750 - \$219,000	\$54,750
Additional days of care paid by policy after three years:	\$54,750 ÷ \$200 a day	273 days
Total time of care paid for by policy		3 years, 273 days

In this example, since the cost of your care was \$200 (\$50 less than your chosen Maximum Daily Benefit of \$250) your policy continued to pay benefits longer than your Benefit Factor of three years.

- **Elimination Period** – An Elimination Period is similar to the deductible on other insurance policies. After being certified chronically ill, it is the number of days that you must receive care and pay an eligible caregiver for services before you begin receiving your policy benefits. You decide how long the Elimination Period will be—30 days, 90 days, or 180 days. Remember, you pay all long-term care costs out-of-pocket during this period. The longer the Elimination Period you can afford to choose (not only now, but also in the future), the lower your monthly premiums will be.

Let’s look at some examples:

30-DAY ELIMINATION PERIOD	
Days 1-30	You continue to pay premiums, but the policy does not provide coverage until the end of the Elimination Period.
Days 31-90	You continue to pay premiums, and the policy provides coverage.
Days 91 and after*	You no longer have to pay premiums. The policy provides coverage until your Maximum Lifetime Benefit is exhausted.

90-DAY ELIMINATION PERIOD	
Days 1-90	You continue to pay premiums, but the policy does not provide coverage until the end of the Elimination Period.
Days 91 and after*	You no longer have to pay premiums. The policy provides coverage until your Maximum Lifetime Benefit is exhausted.

*This is considered waiver of premium. For more information, please see the waiver of premium section on page 18.

180-DAY ELIMINATION PERIOD

Days 1-90	You continue to pay premiums, but the policy does not provide coverage until the end of the Elimination Period.
Days 91-180	You no longer have to pay premiums, but the policy does not provide coverage until the end of the Elimination Period.
Days 181 and after*	You no longer have to pay premiums. The policy provides coverage until your Maximum Lifetime Benefit is exhausted.

*This is considered waiver of premium. For more information, please see the waiver of premium section on page 18.



When you can receive policy benefits

First, a licensed healthcare practitioner (such as a physician, registered nurse, or licensed social worker) must certify that you are chronically ill.⁷ That means that you are unable to perform at least two of the following tasks (known as Activities of Daily Living) for at least 90 days, without substantial assistance from another person:

- Bathing
- Toileting (using the bathroom)
- Dressing
- Contenance (controlling bladder and bowel function, or the ability to perform hygienic tasks when control is lacking)
- Transferring (moving into or out of a bed, a chair, or a wheelchair)
- Eating (feeding yourself – does not include meal preparation)

You could also be certified as chronically ill if your health and safety are threatened and you require substantial supervision because of a severe cognitive impairment (such as Alzheimer's disease).

After you have been certified as chronically ill, you must also satisfy your Elimination Period before receiving benefits.

⁷In order to qualify for policy benefits, the insured must meet the definition of chronically ill set forth in the applicable policy form.

Coverage for the care you need

A long-term care insurance policy covers a wide variety of care options.

Your State Farm Long-Term Care Insurance policy provider provides coverage for skilled, intermediate, and custodial care.

Home and community-based care

This is care you receive in your home or at an adult day care. For each calendar week you receive qualified home and community-based care, your policy will pay the lesser of:

- Seven times your chosen Maximum Daily Benefit (per calendar week)
- The total costs for services provided by:
 - **Home health care agencies** – Covered long-term care services include occupational, physical, respiratory, or speech therapy or nursing care provided by registered, licensed practical, or vocational nurses. Covered services also include qualified services from a medical social worker, home health aide, homemaker, or other similar services.
 - **Adult day care** – The policy covers care you receive at an adult day care facility while your usual caregiver is at work.

Thanks to these additional benefits, your policy could help you stay at home longer:

- **Home Modification Benefit** – Your policy will pay up to 50 times your Maximum Daily Benefit for qualified services to help you avoid moving to a facility. Covered services include widening doorways; building ramps; restructuring bathroom facilities to accommodate wheelchairs; or purchasing, renting, or leasing durable medical equipment for use in your home.
- **Alternate Plan of Care** – Let's say you need the level of care that is provided in a long-term care facility (accessibility to medical assistance 24 hours per day), but you would rather pursue an alternate plan of care in your home. With approval from you, your doctor, and State Farm, efforts will be made to create a unique plan of care to fit your specific needs.
- **Caregiver training** – The policy will cover the costs of training a family member or friend to give you the care you need. Charges for an informal caregiver's services are not covered/ payable under the policy.

- **Medical Help System** – With a Medical Help System, you can call an ambulance to your home with the touch of a button. For a maximum of 12 months during your lifetime, your policy will pay up to 25 percent of your chosen Maximum Daily Benefit to help with the monthly cost of renting or leasing a Medical Help System that is installed in your home while your policy is in force.
- **Respite care** – Allows you to continue to receive care while your usual informal, unpaid caregiver takes time away. Your policy will cover the cost of an eligible caregiver up to your chosen Maximum Daily Benefit, for up to 30 days per calendar year.

Facility-based care

If you should require a higher level of care, your policy will cover the cost of care (up to your Maximum Daily Benefit) at these qualified facilities:

- **Alternate care facility** – At an Alternate Care Facility (also known as an assisted living facility), you can have access to facility care without being confined to a nursing home. For qualified Alternate Care Facilities, your policy pays 100 percent of the daily cost, up to your elected Maximum Daily Benefit.
- **Long-term care facility** – The policy covers 100 percent of the daily cost of the care you receive at a qualified nursing home, up to your elected Maximum Daily Benefit.
- **Bed reservation** – If you remain chronically ill and are temporarily away from a facility, we will continue to pay up to the Maximum Daily Benefit to reserve your bed, for up to 30 days per calendar year.

More features for more coverage

These features are also included with your policy:

- **Care Management Services** – During a claim, care management professionals are available to work with you, your family, and your doctor to help develop and monitor your plan of care. This service is available at no additional cost, and you are not obligated to use the care management professionals.
- **Guaranteed Renewable** – Your policy will continue to be renewed as long as you pay the premiums on time. Your rates can NOT be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders with a policy similar to yours.
- **30-Day Review Period** – You may return your State Farm Long-Term Care Insurance policy for a complete refund within 30 days of receiving it, should you decide that it doesn't fit your needs for any reason.

- **Unintentional Lapse Notification** – If your policy payments are not received on time, we will notify both you and anyone you have named in advance that your policy may lapse.
- **Reinstatement for Cognitive Impairment or Functional Incapacity** – Suppose your policy lapses. Within six months, we will reinstate it if you ask for reinstatement on the basis that you suffered from cognitive impairment or functional incapacity when coverage lapsed. You must pay all past-due premiums.
- **Waiver of Premium** – Your premium will be waived after your policy has covered 90 days of qualified long-term care, as long as the days of care are not separated by more than 15 consecutive days. These 90 days include your Elimination Period. Benefits paid under the Medical Help and Caregiver Training benefits do not apply toward Waiver of Premium eligibility.
- **Restoration of Benefits** – If you were once chronically ill and have not received or required covered long-term care services for 180 consecutive days, then your Maximum Lifetime Benefit (if not already exhausted) will be fully restored. This benefit does not apply if you've chosen the Lifetime Benefits factor, since those benefits are never-ending during your lifetime. The Home Modification benefit is not subject to restoration.
- **Tax Qualified** – Your policy is tax qualified, which means a portion of your premiums qualifies as a medical expense for federal income tax purposes if you itemize deductions.

As you can see, this policy comes with a wide variety of benefits. But there are more ways you can tailor your coverage to fit your needs.

Inflation Protection

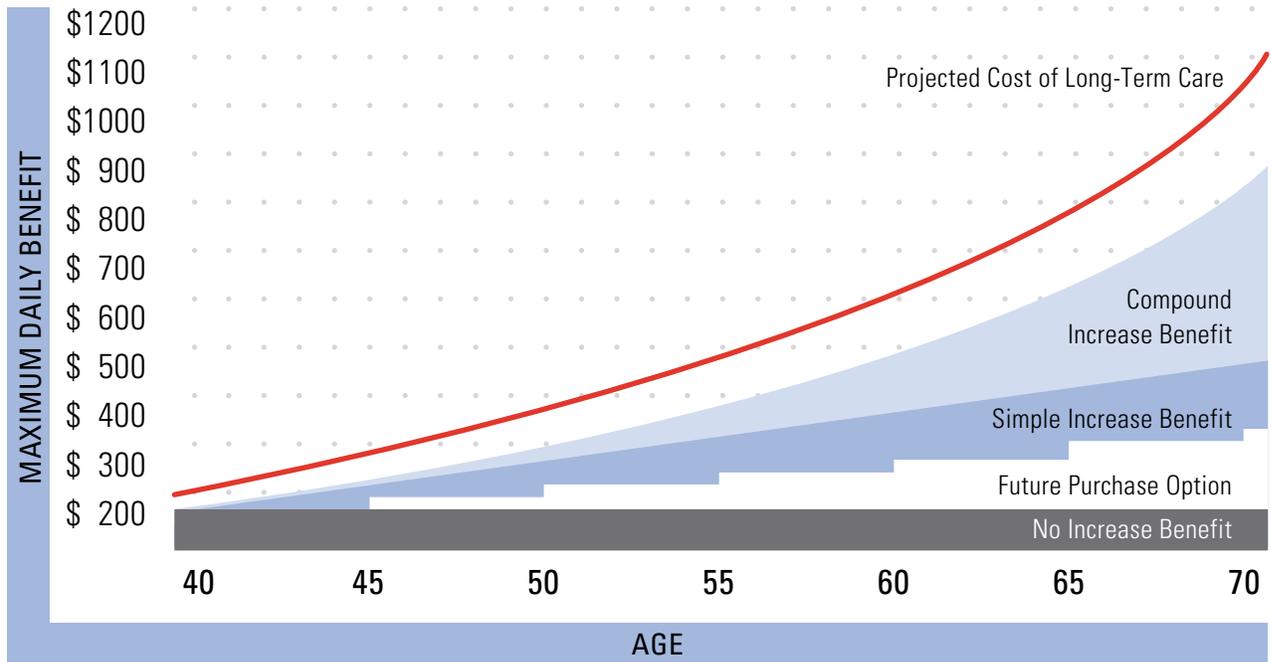
Help maintain or even build the value of your policy with any of these inflation protection options:⁸

- **Future Purchase Option** – You will be given the opportunity to increase your Maximum Daily Benefit on the anniversary of your policy's effective date following your 45th, 50th, 55th, 60th, and 65th birthdays. This benefit is only available if an Automatic Increase Benefit Rider is not selected.
- **Compound Automatic Increase Option** – Each year, your selected Maximum Daily Benefit increases by 5 percent over the previous year's amount, and the Maximum Lifetime Benefit is increased by 5 percent of the Remaining Maximum Lifetime Benefit.
- **Simple Automatic Increase Option** – Each year, your selected Maximum Daily Benefit increases by 5 percent of its original amount and the Remaining Maximum Lifetime Benefit increases proportionately.

⁸Inflation protection availability varies by policy type.

The Effects of Automatic Increase Options

Starting with \$200 Maximum Daily Benefit



Maximum Lifetime Benefits based on 5-year benefit factor with \$200 Maximum Daily Benefit assuming 5 percent interest and no claim payments in 30 years. Cost of long-term estimates from Centers for Medicare & Medicaid Services.

Compound Automatic Increase

\$864—Maximum Daily Benefit
 \$315,360—Maximum Annual Benefit
 \$1,576,800—Maximum Lifetime Benefit

Future Purchase Option

\$25 increase every 5 years if you exercise this option at each offering

Simple Automatic Increase

\$500—Maximum Daily Benefit
 \$182,500—Maximum Annual Benefit
 \$912,500—Maximum Lifetime Benefit

No Increase Benefit

\$200—Maximum Daily Benefit
 \$73,000—Maximum Annual Benefit
 \$365,000—Maximum Lifetime Benefit

- **Nonforfeiture Benefit/Shortened Benefit Rider** – This rider ensures that you will receive benefits equal to the total sum of premiums you have paid, even if you stop paying premiums and the policy is cancelled. These restrictions apply:
 - The policy and riders must be in force for 3 years.
 - The Maximum Daily Benefit amount will be the amount in effect on the first day following the end of the period covered by your last paid premium (the nonforfeiture date).
 - The maximum amount we will pay for all covered care or services you receive after the nonforfeiture date is the greater of:
 - 100 percent of the sum of all premiums paid for this policy and riders.
 - 30 times the Maximum Daily Benefit in effect on the nonforfeiture date.



How do I obtain claim forms?

If you believe that you will need long-term care services, you can contact your State Farm agent/insurance producer at any time. It is advised you make this contact as soon as possible to verify your Chronically Ill status and the eligibility of your caregiver. This will assure the days of service you receive may appropriately be applied toward your Elimination Period. A claim department representative will telephone you or anyone you name as your representative to learn more about your situation, answer questions, and provide you with the necessary forms. You or anyone you have named to act for you,⁹ your caregiver, and your licensed health care practitioner (a physician, registered nurse, or licensed social worker) will all need to fill out and return these forms as soon as possible.

What kind of information will State Farm need when I file my claim?

We may need your medical records from your health care providers, hospitals, or other health facilities. We may also ask to interview one or more of your health care providers to learn more about the state of your health. All this information will help us determine if you qualify to receive benefits, and whether the care you are receiving is covered by the policy. Periodically, we will ask you to update us about your care. Care Management Services are available to help you with your claim.

State Farm is here for your health

For more than 85 years, our policyholders have counted on us for their insurance needs. State Farm is the right choice for your Long-Term Care insurance, too. Long-term care coverage can be as essential as having basic health care insurance. And it doesn't have to be difficult to find the right coverage for you. Getting in touch is always easy. Walk in, Mail in, Call in, Click in. Talk to your agent/insurance producer, and see how State Farm can help you plan for the future.

⁹If the person acting for the benefit recipient has Power of Attorney, the appropriate legal papers need to be included when the claim forms are returned.

Now, let's design a plan for you

Select from the options below to customize your State Farm Long-Term Care Insurance policy according to your needs.

Partnership

Non-Partnership

PLAN FEATURES	OPTIONS	CONSIDERATIONS
Maximum Daily Benefit	<input type="checkbox"/> \$100 <input type="checkbox"/> \$250 <input type="checkbox"/> \$400 <input type="checkbox"/> \$125 <input type="checkbox"/> \$275 <input type="checkbox"/> \$425 <input type="checkbox"/> \$150 <input type="checkbox"/> \$300 <input type="checkbox"/> \$450 <input type="checkbox"/> \$175 <input type="checkbox"/> \$325 <input type="checkbox"/> \$475 <input type="checkbox"/> \$200 <input type="checkbox"/> \$350 <input type="checkbox"/> \$500 <input type="checkbox"/> \$225 <input type="checkbox"/> \$375	What is the average cost of care in the area you expect to receive care?
Benefit Factor	<input type="checkbox"/> 2 years <input type="checkbox"/> 3 years <input type="checkbox"/> 5 years	Maximum Daily Benefit x 365 days x Benefit Factor = Lifetime maximum dollar amount Example: \$175 x 365 days x 5 years = \$319,375
Elimination Period	<input type="checkbox"/> 30 days <input type="checkbox"/> 90 days <input type="checkbox"/> 180 days ¹⁰	It is the number of days you receive qualified long-term care services before the policy begins to pay benefits. You will be responsible for paying long-term care services during this period.
Inflation Protection Riders ¹¹	Partnership Policy <input type="checkbox"/> Compound Increase (age 60 and under) <input type="checkbox"/> Simple Increase (ages 61-75) <input type="checkbox"/> None Non-Partnership Policy <input type="checkbox"/> Simple Increase (age 60 and under) <input type="checkbox"/> None	Inflation protection helps your policy benefits keep up with rising long-term care costs.
Non-Forfeiture Benefit/Shortened Benefit Rider ¹¹	<input type="checkbox"/> Yes <input type="checkbox"/> No	Provides a continuation of coverage if you stop paying premiums under certain circumstances.

¹⁰The availability of the 180-day elimination period varies by state.

¹¹This optional rider is available for an additional cost to enhance your policy benefits.

NOTES

Please Note: This is a Marketing tool intended for use in the sale of insurance. Completion of an application for a State Farm insurance policy will require contact with a State Farm insurance agent.

This brochure provides a brief, general description of the coverage provided by this policy. It is not a contract and certain exclusions and limitations apply. A complete statement of the coverage provided is found only in the policy itself. Policy coverages, exclusions and limitations may vary in some states. For exact terms and conditions see:
Long-Term Care Insurance policy series 97062

Contact your agent for additional details and cost.

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State Farm Automobile Insurance Company

Long-Term Care Insurance (97062 Series)

The purpose of this communication is the solicitation of insurance. Contact will be made by an insurance agent/producer or insurance company.

Long-Term Care Insurance / Long-Term Care Partnership Insurance

Partnership Program

Partnership policies are designed to allow you to protect a portion of your assets after you apply for Medicaid.

Policy Benefits (Long-Term Care Insurance and Long-Term Care Partnership Insurance)

Home Health Care / Adult Day Care

- Paid on a Calendar Week basis.
- Pays the lesser of seven (7) times the Maximum Daily Benefit or the actual expense incurred during a Calendar Week.

Respite Care

- Pays the lesser of the Maximum Daily Benefit or the actual expense incurred for up to thirty (30) days per calendar year.

Medical Help System

- Pays for rental or lease of the system while your policy is in force and you are residing in your home.
- Pays the expense incurred, up to 25% of the Maximum Daily Benefit.
- Payable for a maximum of twelve (12) months.

Caregiver Training

- Pays expenses incurred, up to five (5) times the Maximum Daily Benefit

Alternate Care Facility (such as Assisted Living)

- Pays the expense incurred for each day, up to the Maximum Daily Benefit.

Long-Term Care Facility (such as a Nursing Home)

- Pays the expense incurred for each day, up to the Maximum Daily Benefit.

Bed Reservation

- Pays the lesser of the Maximum Daily Benefit or the expense you incur if charged while temporarily absent from a facility.
- Thirty (30) day limit per Calendar Year.

Waiver of Premium

- Premiums are waived after ninety (90) days of covered care, not separated by more than fifteen (15) days.

Service Center

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Alternate Plan of Care

- Arrangements for care in a setting other than a Long-Term Care Facility.
- May allow you to remain in your home.
- Pays the lesser of the Maximum Daily Benefit or the expense you incur.

Home Modification and Durable Medical Equipment

- Physical changes to your home.
- Use of Durable Medical Equipment.
- Allows you to remain in your home.
- Pays a maximum of fifty (50) times the Maximum Daily Benefit.

Inflation Protection

- Your Maximum Daily Benefit can be increased in one of the following ways:

Future Purchase Option (97062)

Simple Automatic Increase Benefit (97062)

Compound Automatic Increase Benefit (97062)

General Description of Benefits

To be eligible for benefits, you must first be "Chronically Ill" as certified by a Licensed Health Care Practitioner (a physician i.e., M.D. or D.O., registered nurse, or licensed social worker).

Certification means that you are unable to perform at least two Activities of Daily Living for an expected period of at least 90 days without substantial assistance from another person. You must also satisfy an Elimination Period before benefits are paid.

What are Activities of Daily Living?

- Eating (feeding yourself; not meal preparation)
- Bathing (washing yourself)
- Toileting (using the bathroom)
- Dressing (putting on and taking off clothing)
- Continence (controlling bladder and bowel function or the ability to perform hygienic tasks if control is lacking)
- Transferring (moving into or out of a bed, a chair or a wheelchair)

You could also be certified as Chronically Ill if your health and safety are threatened and you need substantial supervision because of a severe cognitive impairment (such as Alzheimer's disease).

What is an Elimination Period?

The Elimination Period is the number of days you receive and pay for eligible care before you begin receiving policy benefits. In most states you can choose 30, 90 or 180 days. After satisfaction of the Elimination Period, benefits will be paid for each day of care, for charges incurred up to the daily benefit amount in your policy.

Is there a maximum benefit?

Yes. Daily benefit amounts range from \$100/day up to \$500/day; in \$25 increments.

The Maximum Lifetime Benefit is equal to the daily benefit; multiplied by 365 days, multiplied by the benefit factor (in years) you choose when you apply for the policy. The benefit factor can be 2, 3 or 5 years. For example, a \$100/day policy with a 5 year benefit factor has a lifetime maximum of \$100 X 365 days X 5 years = \$182,500.00.

The Maximum Lifetime Benefit can be restored if you are no longer Chronically Ill and do not need otherwise covered care for 180 consecutive days.

Waiver of Premium

After 90 days of covered care, not separated by more than a 15 day period, your premiums will be waived. You will not be responsible for premium payment unless you recover or are no longer receiving covered care, or if your policy's lifetime maximum has been met.

What types of care are covered?

Eligible care can be received in your home, the community or in a facility. These include:

- Respite Care (temporary relief for an informal, non-licensed unpaid caregiver)
- Medical Help System (a communication system used to summon attention in a medical emergency)
- Caregiver Training for informal unpaid caregivers in your home
- Home Health Care, including Hospice
- Community-based care, including Adult Day Care
- Alternate Care Facilities, such as Assisted Living
- Long-Term Care Facilities, such as Nursing Homes
- Bed Reservation, to hold your room if you are temporarily absent from a covered facility
- Alternate Plan of Care (possible alternative care options when you would normally require care in a covered Long-Term Care Facility)
- Home Modification and Durable Medical Equipment (possible physical modification to your home and/or certain pieces of Durable Medical Equipment when you normally would require care in a covered Long-Term Care Facility)

Pre-existing Condition Limitation. We will not pay for a loss due to a Pre-existing Condition which You did not disclose in the application unless the loss begins more than six (6) months after the Effective Date of Coverage. However, providing incorrect information may cause Your policy to be voided. If this policy replaces another Long-Term Care Insurance policy, the six (6) month time period above is waived to the extent it has been satisfied under the replaced policy.

Grace Period. You are allowed a 65 day grace period for late payment of each premium due after the first premium. Your policy will remain in force during this period.

If You do not pay Your premium by the end of the grace period, Your policy will terminate.

GUARANTEED RENEWABLE FOR LIFE - PREMIUMS SUBJECT TO CHANGE

Your policy will remain in effect during Your lifetime as long as each premium is paid on time. We cannot cancel or refuse to renew Your policy. We cannot change Your policy without Your consent. However, We may change the premium rates. Any change will apply to all policies in the same class as Yours in the state where the policy was issued. We will notify You in writing 60 days before Your premium changes.

We provide a refund of unearned premium when We are notified of Your death or You exercise Your right to request cancellation.

This Policy is intended to be federally tax-qualified.

The quotes generated by this program are illustrative only and not a contract, binder or agreement to extend insurance coverage and are based on information you have supplied. If the information used to generate this example changes, or different rates are effective at the time of policy issuance, this rate quote may be revised. Premium rates are subject to change and may be increased, and any rate changes would apply to all policies in the same class in the state where the policy is issued. No money should be sent to State Farm in response to this advertisement. To obtain coverage you must submit an application to State Farm. All applications for coverage are subject to underwriting approval and subject to applicable state and federal law. Upon application approval, coverage can only be effective after payment and receipt of the initial policy-required premium. All policies may not be available in all states. Benefits, exclusions and limitations will apply. Please contact a State Farm Agent/producer for further details.

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The information provides a brief, general description of the coverage provided by these

policies. It is not a contract and certain exclusions and limitations apply. A complete statement of the coverage provided is found only in the policy itself. Policy coverage's, exclusions and limitations may vary in some states.

For exact terms and conditions see: Long Term Care policy series 97062.

LTC-AR.2

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