

State: Arkansas **Filing Company:** Transamerica Life Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified
Product Name: ADV TLC SAV MPF LTCE
Project Name/Number: ADV TLC SAV MPF LTCE/ADV TLC SAV MPF LTCE

Filing at a Glance

Company: Transamerica Life Insurance Company
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TOI: LTC05I Individual Long Term Care - Nursing Home & Home Health Care
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Filing Type: Advertisement
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Author(s): Julie Maclin, Joan Shumaker, Patsy Holt
Reviewer(s): Donna Lambert (primary)
Disposition Date: 08/30/2012
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General Information

Project Name: ADV TLC SAV MPF LTCE	Status of Filing in Domicile: Not Filed
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Submitted By: Julie Maclin	Corresponding Filing Tracking Number: ADV TLC SAV MPF LTCE

Filing Description:
Please see cover letter under Supporting Documentation tab.

Company and Contact

Filing Contact Information

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Filing Company Information

Transamerica Life Insurance Company	CoCode: 86231	State of Domicile: Iowa
P O Box 93005	Group Code: 468	Company Type:
Hurst, TX 76053-3005	Group Name:	State ID Number:
(800) 553-7600 ext. [Phone]	FEIN Number: 39-0989781	

Filing Fees

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Donna Lambert	08/30/2012	08/30/2012

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Implementation Date:

Status: Approved

Comment:

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Statement of Variability	Approved	Yes
Form	Savings	Approved	Yes
Form	Mini Pamphlet	Approved	Yes
Form	Essentials	Approved	Yes

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Form Schedule

Lead Form Number: TLC SAV TC2 0712

Item No.	Schedule Item Status	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments
1	Approved 08/30/2012	TLC SAV TC2 0712	ADV	Savings	Initial:	0.000	TLC SAV TC2 0712 filing.pdf
2	Approved 08/30/2012	TLC MPF TC2 0712	ADV	Mini Pamphlet	Initial:	0.000	TLC MPF TC2 0712 filing.pdf
3	Approved 08/30/2012	TLC LTCE TC2 0712	ADV	Essentials	Initial:	0.000	TLC LTCE TC2 0712 filing.pdf

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



TRANSAMERICA LIFE INSURANCE COMPANY

TRANSCARE[®]

Individual Long Term Care Insurance

II

MAKE THE MOST OF YOUR MONEY TODAY

Your Long Term Care insurance premiums may be tax-free



TLC SAV TC2 0712

SMART WAYS TO PAY FOR TRANS CARE® II

In today's economy, it makes sense to save every dollar possible. That's why we want you to be aware of some ways that people receive tax relief on their TransCare® II Long Term Care insurance premium payments. Depending on your situation, one or more of these approaches may help you save money that you can apply to your life today or retirement in the future.

Neither Transamerica Life Insurance Company nor any of its insurance agents/producers or representatives give legal, tax, or accounting advice. Please consult your legal and/or tax advisor for assistance.

Use your Health Savings Account^{1, 2} | to pay TransCare® II premiums

Employer contributions to Health Savings Accounts (HSAs) are not subject to Federal Income Tax or FICA. Employee contributions to an HSA are deductible but do not reduce FICA. If you have an HSA, your qualified TransCare® II Long Term Care insurance premiums may be paid through the HSA up to a maximum established by the Federal Government each year.¹

For example, [Richard] is [55] years old. Based on his age, he may pay up to [\$1,310] in Long Term Care insurance premiums through his HSA. Here is an example of the taxes [Richard] may expect to save at different income tax rates, if he pays those premiums through pre-tax contributions he makes to his HSA.

Federal Income Tax rate	[15%]	[28%]	[35%]
Annual salary reduction contribution to qualified HSA benefits ^{1, 2}	[\$1,310]	[\$1,310]	[\$1,310]
Tax savings adjustments			
Save on Federal Income Tax	[-\$197]	[-\$367]	[-\$459]
Save on FICA tax @ 7.65%	[-\$100]	[-\$100]	[-\$100]
Total tax savings based on tax rate	[-\$297]	[-\$467]	[-\$559]

Depending on [Richard's] Federal Income Tax rate, he may save between [\$197] and [\$559] per year if he pays his TransCare® II Long Term Care insurance premiums with his Health Savings Account funds.

Itemize³ TransCare® II premiums | *as a medical expense*

If you do not have an HSA, your TransCare® II Long Term Care insurance premiums – up to a maximum established by the Federal Government each year³ – may qualify for a tax deduction as a medical and dental expense on your Federal Income Tax Form 1040, Schedule A. You may deduct itemized medical and dental expenses in excess of 7.5% of your adjusted gross income.

Here's how [Sarah], who is [58] years old, might utilize her Long Term Care insurance premiums in calculating Medical and Dental Expenses for her tax return, based on different income and expense circumstances.

Savings through a Medical/Dental Itemized Deduction

Adjusted Gross Income	[\$35,000]	[\$50,000]	[\$100,000]
Itemized expenses			
Medical	[\$3,000]	[\$4,500]	[\$7,000]
Dental	[\$500]	[\$750]	[\$1,000]
Qualifying Long Term Care insurance premiums ³	[\$1,310]	[\$1,310]	[\$1,310]
Total Medical/Dental Expenses	[\$4,810]	[\$6,560]	[\$9,310]
Less 7.5% of Adjusted Gross Income	[\$2,625]	[\$3,750]	[\$7,500]
Medical/Dental Deduction	[\$2,185]	[\$2,810]	[\$1,810]

Savings will vary based on qualifying deductions and tax bracket

ARE YOU SAVING ALL YOU CAN?

While your Long Term Care insurance may help protect your assets in the future, exploring these tax relief options may help make the most of your money today. Please consult your legal and/or tax advisor for additional information on how you can best benefit.

TRANSAMERICA LIFE INSURANCE COMPANY
AND
TRANSCARE® II

Here for the Long Term

An unforeseen long term care need could seriously impact your future. TransCare® II may help protect your hard-earned savings from the high cost of long term care services. With TransCare® II, you may benefit from the resources of one of the largest financial services companies and the experience that only a company with over 300,000⁴ policyholders can provide.

TransCare® II Long-Term Care insurance is designed with your needs in mind. It provides you with the flexibility and options you want to customize a Policy that can fit your needs.

For more information, call your licensed insurance agent/producer or contact Transamerica Life Insurance Company and we will have a licensed insurance agent/producer contact you.

TRANSAMERICA LIFE INSURANCE COMPANY

TRANSCARE®

Individual Long Term Care Insurance

II

¹See Internal Revenue Service Publication 502 and Publication 15 for details and limitations. ²Health Savings Accounts are limited to people who are covered by a High Deductible Health Plan and satisfy certain other requirements. ³See Internal Revenue Service Publication 502 for details and limitations. ⁴Market Share - Covered Lives, American Association for Long-Term Care Insurance, 2010 AALTCI Sourcebook.

Neither Transamerica Life Insurance Company nor any of its insurance agents/producers or representatives gives legal, tax, or accounting advice. Please consult your legal and/or tax advisor for assistance.

The purpose of this advertisement is solicitation for long term care insurance and an insurance producer/agent will contact you.

Underwritten by Transamerica Life Insurance Company. Qualifying for benefits is required. Exclusions and limitations apply. Premiums and benefits vary depending upon plan selected. Contact [your insurance agent/producer] [or] [Transamerica Life] for details. Policy Series TLC 2-P 0410.



Transamerica Life Insurance Company

Home Office:
Cedar Rapids, Iowa

Administrative Office:
P.O. Box 95302
Hurst, Texas 76053-5302

CUSTOMIZE A PLAN TO HELP PROTECT YOUR FAMILY'S FUTURE.

TransCare[®] II Long Term Care insurance provides you with a variety of standard and optional features. With these features you can customize your TransCare[®] II Long Term Care insurance policy to help protect your assets, preserve your independence and have more control over the care you receive.

Standard Features¹

- Cash Benefit – Paid directly to you to use anyway you see fit
- 0-day Elimination Period for Home Health Care, Adult Day Care and the Cash Benefit
- 5-year rate guarantee
- Pays for out of pocket charges you incur for care at home, in the community such as an Adult Day Care or at an approved facility up to the daily maximum benefit amount you choose

Available Discounts¹

- Up to a [20%] discount for couples² who qualify for identical benefit amounts³
- Up to a [10%] discount for a member of a couple² applying alone or for different coverage
- Up to a [10%] preferred discount may be rewarded to individuals who have taken care of their health

Customize your policy with these optional benefits¹

(additional premium may be required)

- Benefit Increase Options help you meet future costs by keeping up with inflation [-] [Simple^[4],] Compound[,] [Step-Rated Compound^[5],] [or] [Deferred]
- Shared Care Benefit Rider allows couples² to share benefits
- [Payment Choice[s] – [Single Pay,] [5-year Pay^[4],] [10-year Pay,] [Pay to age 65] [and] Lifetime]
- Return of Premium – Paid premiums, minus any benefits paid, will be returned to your beneficiary upon your death

The best way to help protect your future is to prepare. [Call] [your insurance agent/producer] [,] [Transamerica Life] [at XXX-XXX-XXXX] [or] [Attend an insurance sales presentation and enrollment meeting] for details about all your choices and for information on how TransCare[®] II Long Term Care insurance can help protect you from the high cost of long term care.

¹Not all benefits, discounts and options are available in all states. See your Outline of Coverage for details.

²The term "spouse/partner" and "couple" may include married persons, domestic partners and/or civil union partners. Consult your insurance agent/producer for details about requirements in your state.

³Must apply in good faith for identical benefits. Changes in benefit levels due to underwriting may result in the discount being reduced to [10%] for one or both members of the couple.

[⁴Not available in SD.]

[⁵Not available in HI.]

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HOME OFFICE

Cedar Rapids, IA

ADMINISTRATIVE OFFICE

P.O. Box 95302

Hurst, Texas 76053-5302



TRANSAMERICA LIFE INSURANCE COMPANY

TRANSCARE[®]

Individual Long Term Care Insurance

II

LONG TERM CARE ESSENTIALS

What wise planners are doing to help protect freedom of choice and their standard of living



What is Long Term Care?

Have you ever experienced an intense short-term illness that left you helpless for a day or two?

How about an injury that prevented you from moving around or doing common tasks?

Maybe you needed somebody to help care for you for a few days – to mix up some soup, to help you get dressed, to help keep you clean. That kind of help is welcome indeed, especially if your situation should continue for years instead of days. Let's think about the future for a moment.

If you required daily-living care for a long period of time, what would that care look like? What would it cost? How could you pay for it? How might it affect your family? Now is a good time to think about these things, while you still have plenty of options in front of you.

Let's talk about what you may need to know about:

- **Your Future** / What are the possibilities?
- **Independent Daily Living** / What are the essentials?
- **Long Term Care** / What does long term care look like?
- **Long Term Care Costs** / How may you afford long term care?
- **Your Care** / What does Long Term Care insurance cover?
- **Your Options** / What are the basics of a long term care policy?
- **Your Best Deal** / What makes long term care policies different?
- **Your Decision** / When is the best time to buy Long Term Care insurance?
- **Your Call** / What is it all about, really?

Your Future / *What are the possibilities?*

As you grow older, your body naturally undergoes a degenerative process. Happily, you can offset that process to some extent with a healthy diet and regular exercise. But for most people, decreased performance over the long term is a distinct possibility.

So what happens if that natural aging process leads to a time when you can no longer do certain everyday tasks, like moving in and out of a chair or feeding yourself? We try to minimize that possibility, but who doesn't know of a person who required ongoing care due to an unexpected accident or illness, long before natural aging might have made such care necessary? Even well-known actors and sports figures have been known to become paralyzed in an accident or diagnosed with a degenerative disease like Parkinson's or Alzheimer's.

People with far less serious conditions have difficulty performing basic functions of living as well. Aching joints or stiff muscles can significantly reduce movement, flexibility and the ability to care for yourself. When you notice how a simple finger cut can change a healthy person's ability to tie a bow or manipulate a small object, you begin to sense how more serious conditions may affect daily living someday.

You don't need to live in fear of tomorrow; that's where your most exciting possibilities may still await you. But wise planning for the future may help keep more of those possibilities available to you in case something unforeseen happens. About 70% of people age 65 or more will require some form of long term care in their lives.¹ The national average cost of a private room in a Nursing Home is about \$82,000 a year.¹ Thinking about these things now may help you protect your retirement savings from the high costs of long term care, and help maintain more independence in the future.



Independent Daily Living / *What are the essentials?*

When you think about it, independent daily living boils down to some very basic functions. Health professionals refer to six basic functions, called Activities of Daily Living (ADLs): Bathing, continence, dressing, eating, toileting and transferring (moving from one place to another).

Imagine your daily life if you could not do one or more of these ADLs without help, especially for an extended period of time. Would that make a significant difference in the way you live?

You may think especially about losing a physical capacity to perform these basic functions. But another challenge could be a severe cognitive impairment, such as Alzheimer's disease. In that case, substantial supervision might be required to help protect you from threats to your health or safety.

Whether the limitation is physical or cognitive, your inability to perform one or more of these Activities of Daily Living could eventually require outside help of some kind. The question is, what kind of help is available? The answer is long term care.

Long Term Care / *What does long term care look like?*

Long term care services are designed to help if you can no longer fully care for yourself. If possible, those services may be provided in a person's home, including modification of a home for ease of care. In other cases, an Assisted Living Facility or Nursing Facility may be required. In each case, long term care is designed to meet your chronic health or personal care needs over an extended period of time. It helps you with the things that make it difficult for you to care for yourself, so you can continue to live as independently as possible.

Family members are sometimes willing to supply long term care services for a loved one, if they live nearby and can work around their schedules or careers. But as your needs grow more challenging, daily care may become too demanding for family members to sustain. Your needs may also escalate to the point where other facilities are helpful or necessary. If long term care requires the purchase of outside services – even if you are cared for at home – the expenses can easily impact a lifetime of hard-earned savings that you hoped to spend other ways.

¹American Association of Long-Term Care Insurance, 2011 AALTCI Sourcebook.

Long Term Care Costs / *How may you afford long term care?*

For a short-term illness or accident, costs may be easily managed – tissues and soup, or a doctor visit and medications. Even if costs are more significant, the charges come to an end after a short time so you can gather your resources to pay them off.

Long term care is different. Expenses may continue to mount for a long time, and those bills can be very expensive. If you have spent your vacation at a very nice hotel, you know what a Nursing Home costs. The national average for a Nursing Home is \$225 per day – about \$82,000 for a year.² An Assisted Living Facility costs nearly half that.² Even Adult Day Care runs \$66 per day.² And a Home Health Aide can cost \$30,000 per year for just four hours a day.²

How can you afford long term care services if you need them?

You have several options, but they may be not the ones you thought.

Not Medicare or Health Insurance – You may be surprised to learn that Medicare and even most health insurance plans may not cover long term care. The Social Security Administration in its benefit statement says that “Medicare does not pay for long term care, so you may want to consider options for private insurance.”³

Medicaid – As a public assistance program, Medicaid currently provides services for people with low incomes. First, to qualify for Medicaid you must spend down income and savings that you may have hoped to spend on retirement or leave to your family. Second, Medicaid depends on long term public funding from states and the federal government, both of which are looking for new ways to trim their budgets. Finally, your choices regarding care facility location, privacy, and other preferences may be limited at the time you need care.

Pay from Personal Assets – Some people may be able to afford long term care services out of their own resources. Here is an example of how quickly a long term care need can deplete \$500,000 in savings that people may have hoped would provide for all their future needs and leave an inheritance for their families.⁴

Year	Assets Jan. 1	Income Need	Long Term Care Expense	Assets Dec. 31
1	\$500,000	\$50,000	\$80,000	\$370,000
2	\$370,000	\$50,000	\$80,000	\$240,000
3	\$240,000	\$50,000	\$80,000	\$110,000
4	\$110,000	\$50,000	\$80,000	(\$20,000)
5	(\$20,000)	\$50,000	\$80,000	(\$150,000)

²American Association of Long-Term Care Insurance, 2011 AALTCI Sourcebook.

³Social Security Administration Form SSA-7005-SM-SI (5/09)

Private Long Term Care Insurance – Private companies offer insurance written specifically for long term care needs. These policies provide the opportunity to make intentional decisions about the future and your independence, based on your own preferences. They may help protect your assets, help pay for your care in the setting you choose, and help relieve others to serve you in different ways.

Private Long Term Care Insurance / Medicaid (“Partnership”) – In many states, private insurance companies offer a policy in partnership with the state government. It is similar to a standard Long Term Care insurance policy with one important difference: Medicaid asset protection. To qualify for Medicaid, you must first spend down your assets (to usually around \$2,000). With a “Partnership” policy, the state agrees to let you keep additional personal assets after you exhaust your Long Term Care insurance benefits and apply for Medicaid. You may keep a personal asset amount equal to the Maximum Policy Amount (Pool of Money), or more in some states. For example, if you depleted a partnership qualified policy with a Maximum Policy Amount (Pool of Money) of \$350,000, you could keep assets totaling \$350,000 in addition to the maximum allowable through Medicaid in your state. The policy must follow your state’s partnership qualification rules to be designated as a “Partnership” policy. Your insurance agent/producer can help you. These policies may be more expensive but may help provide additional protection for your assets.

Some people wonder whether Long Term Care insurance premiums are wasted if long term care is never required. To be consistent, we should ask the same question about other insurance, like auto or homeowners. After age 65, your risk of needing long term care is actually much higher than your risk of a major house fire or severe car accident. Based on statistics, you may need Long Term Care insurance protection even more than these other forms of insurance.⁵

After the age of 65...	For Women	For Men
Major House Fire ⁵	2.5%	2.2%
Severe Car Accident ⁵	18.0%	15.5%
Becoming ADL Deficient or Cognitively Impaired ^{5,6}	72.0%	15.5%

⁴To simplify, “Income Needs” and “LTC Expense” assumes no adjustment for inflation or cost increases, and no return on “Assets.”

⁵American Association of Long-Term Care Insurance, 2010 AALTCI Sourcebook.

⁶Activities of Daily Living (ADLs) are bathing, continence, dressing, eating, toileting and transferring.



Your Care / *What does Long Term Care insurance cover?*

A Long Term Care insurance policy addresses many aspects of long term care, not just a Nursing Home. Let's take a look at some places where Long Term Care insurance can touch your life.

In the Home – You may prefer to receive your care in the familiar comfort of your home for as long as possible. Long Term Care insurance may make this possible with coverage for care in the home such as a home health aide and homemaking services. Other home benefits may include qualified Home Modifications, such as ramps or grab bars; training for an informal Caregiver; provision for Therapeutic Devices or Technology such as crutches, wheelchairs, hospital-style beds or infusion pumps; and Medical Alert Systems to help monitor your health.

In an Adult Day Care – Along with care in the home, Long Term Care insurance may cover care at an Adult Day Care Center. This may provide you with welcome opportunities for recreation outside the home on a regular basis, and may provide any caregivers with a break as well.

In an Assisted Living Facility – This type of Long Term Care Facility serves you when home is no longer an option, but a Nursing Home is not yet required. Long Term Care insurance may cover your care at a place where you may still maintain as much independence as possible.

In a Nursing Home – It's good to know that full time, skilled-care Long Term Care Facilities are available if you eventually require that level of service. It's also good to know that your care at a Nursing Home may be covered by Long Term Care insurance.

In Hospice Care – Sometimes the end of life may be a prolonged illness, and Hospice Care may become a useful consideration. Long Term Care insurance may cover a period of Hospice Care.

With Respite Care – A friend or family member may be your regular source of voluntary help. If these informal caregivers need time away sometimes, Long Term Care insurance may cover out of pocket expenses for your temporary care in a Long Term Care Facility, or care received in your home by a paid caregiver.

With Care Coordination – With all the services that Long Term Care insurance covers, the questions and decisions can be overwhelming. What type of care do you need? How do you develop a Plan of Care? Where do you find qualified providers? Long Term Care insurance may provide a Care Coordinator, a licensed health care practitioner who can work with you to help identify and access the care you need.

Your Options / *What are the basics of a long term care policy?*

Qualifying for Long Term Care Benefits

Before you consider Long Term Care insurance benefits and options, it's important to know how you would qualify to receive long term care benefits.

Generally, you become eligible to receive benefits when you are classified as "Chronically Ill." That means you require substantial assistance to perform at least two Activities of Daily Living⁷ for a period expected to last at least 90 days due to a loss of functional capacity, or you require substantial supervision to protect you from threats of health and safety due to severe cognitive impairment. Typically, a licensed health care practitioner certifies that you meet the criteria of eligibility.

Building a Policy

As you consider Long Term Care insurance, some basic questions will help you build a policy that meets your needs.

"How much money do I want to be available each day?"

With a *reimbursement* policy, you select a maximum daily amount which the policy would pay to reimburse out of pocket charges for your qualified long term care needs. If your daily care costs more than that amount, you would need to fund the remainder from other sources. If your daily care costs less than the maximum daily benefit, what's left would remain available in your policy's total benefit amount to use later.

With an *indemnity* policy, you would receive the entire maximum daily amount that you selected, regardless of each day's actual charges, as long as you provided proof of your qualified long term care services.

With a *cash* policy, you would receive a lump sum each month based on the entire maximum daily amount you selected, regardless of each day's actual charges. You could spend the money any way you see fit on qualified long term care, without submitting proof of services.

Whichever policy you choose, it helps to know the current charges for long term care in your area. These national averages can help, but costs in your location may vary.

Average Costs of Long Term Care in the United States ⁸	
\$225/day	Private Room in a Nursing Home
\$105/day	Care in an Assisted Living Facility (for a One-Bedroom Unit)
\$21/hour	Home Health Aide
\$66/day	Care in an Adult Day Health Care Center

⁷Activities of Daily Living (ADLs) are bathing, continence, dressing, eating, toileting and transferring.

⁸American Association of Long-Term Care Insurance, 2011 AALTCI Sourcebook.

“What total amount of money do I want my policy to provide?”

Because you probably don't need a lifetime of long term care services at one time, your Long Term Care insurance benefits are paid out as you use them. So you may wonder just how long the policy will keep paying those benefits. The total amount that will be available in your policy is a choice you make – a policy maximum amount. Each time the provider pays a claim on your policy, the policy's maximum amount is reduced by the amount of your claim. Typically, an amount that makes sense to you will be based on your own age, sex, medical history, family history, health, resources, and so forth.

“How soon do I want insurance to begin paying my claims?”

You may be familiar with the term “deductible,” which refers to any amount that an insurance policy expects you to pay before it begins to pay claims. The Long Term Care insurance equivalent of a deductible is called the *elimination period*, which is stated in terms of time instead of dollars. The elimination period is the number of days you are responsible for paying the cost of covered long term care before your policy begins to pay benefits.

“How will inflation affect my coverage?”

Long term care costs continue to rise. In fact, costs could more than double in 25 years, based on just 3% inflation. Unless you have a way to anticipate the increases, it is possible that rising costs and inflation could erode the ability of your benefits to cover the care you expected.

If you knew exactly when in the future you might need long term care services, you could anticipate rising costs by purchasing more Long Term Care insurance up front. But since there is no crystal ball, it may work better for you if your insurance increases your purchased benefits by a set amount each year.

Long Term Care insurance may offer *inflation protection* which allows the benefits in your policy to grow at the rate that you specify. You may choose to increase your benefits amount each year by a percentage of the *original* benefit amount, so benefits increase by the same amount each year. Or you may also increase your benefits amount each year by a percentage of the *current* benefit amount, so benefits compound in amount each year. Other options may also be available, such as the ability to add some inflation protection to your policy in future years without evidence of insurability.

Your Best Deal / *What makes long term care policies different?*

We have talked about the basic decisions you will make in building a Long Term Care insurance policy, and the services you should expect a policy to cover. Now you might ask, “What should I look for to get the best deal on a policy?”

Discounts – Several discounts may be available in a Long Term Care insurance policy.

- If you are in good health, providers often offer a preferred health discount of some kind – one of the advantages of purchasing Long Term Care insurance while your health is good.
- Many policies offer discounts for couples⁹ who purchase and maintain identical policies. In fact, companies may offer a discount even when only one member of a couple purchases a policy.
- Policies offered through your employer may offer advantages, such as paying for all or some of your policy, group discounts for you and your extended family, and the ability to qualify for insurance by answering only a few health questions.

Flexible Payment Options – One popular way to pay for Long Term Care insurance is to pay premiums for a lifetime or until you receive a Waiver of Premium. Payments may be made monthly, quarterly, semi-annually or annually.

Sharing Benefits – Some companies offer a way to maximize your Long Term Care insurance protection by using your spouse/partner’s⁹ benefits if you have exhausted your own Pool of Money and have their written permission.

Tax Incentives¹⁰ – The federal government recognizes the value of qualified Long Term Care insurance, so you may be able to deduct a portion of your premiums as a medical expense. Within limits, you may also pay your premiums through a Health Savings Account (HSA). In both cases, you may achieve personal tax savings. You may also benefit from tax advantages if you are self-employed, or if your premiums are paid by a company, depending on how the company is legally organized for tax purposes.

⁹Under this Policy, the term “spouse/partner” and “couple” may include married persons, domestic partners and/or civil union partners. Consult your insurance agent/producer for details about requirements in your state.

¹⁰Neither Transamerica Life Insurance Company nor any of its agents give legal, tax or accounting advice. You will need to rely on your professional for tax advice.

Partnership Programs – As mentioned earlier, some states allow insurance companies to offer a qualified “Partnership” policy. This federal-state partnership lets you retain a certain amount of personal assets in addition to the Medicaid spend-down limit. This is beneficial if you exhaust your long term care benefits and need to apply for Medicaid. Qualified “Partnership” policies include a required Benefit Increase Option, which also further protects you from the rising cost of care and inflation.

An Established Company – Would you be disappointed to discover that the provider you selected for your Long Term Care insurance could not respond to your qualified claims someday? Make sure the company that offers the policy is established and financially strong. Look for independent ratings that are based on evaluating a company’s financial condition, operating performance, and ability to meet obligations to policyholders.

Your Decision / *When is the best time to buy Long Term Care insurance?*

“The best time to buy Long Term Care insurance is before you need it.”

The moment you need long term care services, you will no longer qualify to purchase Long Term Care insurance. That time may arrive as an unexpected accident, a sudden onset of a prolonged disease, the gradual process of aging, or not at all. If that moment does arrive, the decision has already been made to:

- Pay all costs from your current personal assets, loans, or gifts, or...
- Pay with Medicaid, with its rigid spend-down rules and limits on choice, or...
- Pay with some form of Long Term Care insurance, or ...
- Pay with a combination of the above.

Some 40% of the people currently receiving long term care services are not seniors, but between the ages of 18 and 64.¹¹ So it is clear that waiting until you are “old enough to need Long Term Care insurance” may not be the best decision. That need could arrive with one accident or diagnosis.

Your current age and your health may present the best reasons to obtain coverage sooner rather than later. Premium costs are largely based on age and health. It is certain that you will never be younger. And as people age they become less likely to receive good health discounts from Long Term Care insurance carriers.¹² In fact, the percentage of applicants who are declined coverage increases as people age.¹²

¹¹Shelton, Phyllis. Long-Term Care: Your Financial Planning Guide. Tennessee: LTCI Publishing, 2007.

¹²American Association of Long-Term Care Insurance, 2011 AALTCI Sourcebook.

Your Call / *What is it all about, really?*

Today you woke up. You may have had a cup of coffee or checked your e-mail. You went about the day, setting one foot in front of the other. You may expect tomorrow to be the same.

But even as you ponder the future, you may hold these ideas in common with others who think about the possibility of long term care:

- You want to be able to afford care in the setting you choose.
- You want to help protect the quality of life and future security of your spouse/partner¹³ and other loved ones.
- You want to live as independently as possible.

Whether or not you ever require long term care services, knowing that you have addressed the concerns about choice, security and independence may provide you with additional peace of mind.

Long Term Care insurance may help to provide a level of care that you expect if you ever need it because you have thought through your wishes, what is possible, and how to pay for it. It may help to protect your assets so that you and those you love can use retirement savings for its intended use. Finally, it may allow your family to take on a less stressful role so they can care for you out of want, not out of need.

One of the best ways to preserve your independence in the future is to exercise that independence now. Today is a good time to consult with your friends, your family and your insurance agent/producer to learn more about planning for the future you would choose with Long Term Care insurance.

About Us / *Who is Transamerica?*

Knowing what companies you can trust in this day and age can be difficult. And with Long Term Care insurance, you may not need to make a claim for many years, so you want to make sure a company will be there for the long term.

Transamerica Long Term Care has been serving the marketing since 1987 and our policies are backed by Transamerica Life Insurance Company, one of the largest and most experienced financial services companies in existence today. Today we serve more than 300,000¹⁴ policyholders. In 2011, we provided \$1.5 million a day in benefits and services to our policyholders. If you need to make a Long Term Care insurance claim, it's good to know that Transamerica Life is in a strong position to provide the benefits you need when you need them.

¹³Under this Policy, the term "spouse/partner" and "couple" may include married persons, domestic partners and/or civil union partners. Consult your insurance agent/producer for details about requirements in your state.

¹⁴Market Share - Covered Lives, American Association for Long-Term Care Insurance, 2010 AALTCI Sourcebook.

¹⁵These are sample rates and may not reflect your actual premium. Numbers calculated using a [\$200] Maximum Daily Benefit, [\$219,000] Pool of Money[, Lifetime Pay][, Preferred health discount][, and [3%] Compound Benefit Increase Option]. Assumes no increase in premium amount.

What are you waiting for?

A common thought is that a purchase today may lead to more total premium payments than if you postponed the purchase. That seems to make sense, until you consider two things.

First, if you experience a long term care need while you are waiting for a later purchase date to save money, you would become uninsurable. That could be the most expensive option of all.

Second, the idea that you will save money by waiting is simply not true. In fact, waiting longer causes the cumulative cost to increase. Consider this long term example:

[Chris] just turned [50]. At his birthday party, the usual joking about getting older led to a more serious discussion about planning for the future. As he and his friends considered longer lives, retirement expenses and health care, they also discussed older relatives and acquaintances who now required long term care and the possibility that they may need care as well.

[Chris] was still in good health and felt young, but he also knew of people who had experienced an unexpected accident that created long term injuries. With all that in mind, he began researching Long Term Care insurance options. Deciding on a Transcare® II Long Term Care plan, he purchased a policy with a Maximum Daily Benefit of [\$200] and Pool of Money of [\$219,000]. [He also decided to purchase a [3%] Compound Benefit Increase Option, in order to minimize the effects of inflation over the premium payment period and keep up with the cost of care, when the time comes.] [Because he was in good health, he qualified for a preferred health discount.]

Let's assume [Chris] bought his policy today, and did not need long term care until he was 85 years old. Is there a reason to think that he would have been better off waiting until he was [55], [60] or even [65] to buy Long Term Care insurance, and saved years' worth of premiums? Actually, he is still better off buying today.

Age	Annual Premium ¹⁵	Additional Cost over the Life of the Policy ¹⁶
[50]	[\$XXX]	[\$XXX]
[55] (Waiting 5 Years)	[\$XXX]	[\$XXX]
[60] (Waiting 10 Years)	[\$XXX]	[\$XXX]
[65] (Waiting 15 Years)	[\$XXX]	[\$XXX]

[And if [Chris] buys today, what will [his] policy be worth when he is 85 and needs benefits? Since he invested in his future with the [3%] Compound Benefit Increase Option, his Maximum Daily Benefit at 85 will be [\$563] and his Pool of Money will be [\$616,236].]

Generally, there is no less expensive time to secure Long Term Care insurance than the present. Speak with your insurance agent/producer today to see what options may work best for you.

¹⁶In this scenario, Life of the Policy is considered from the time of purchase until the age of 85 when the insured has been considered as qualified for benefits and is no longer required to pay annual premiums because of the Waiver of Premium benefit.

TRANSAMERICA LIFE INSURANCE COMPANY
AND
TRANSCARE® II

Help for the Long Term

An unforeseen long term care need could seriously impact your future. TransCare® II may help protect your hard-earned savings from the high cost of long term care services. With TransCare® II, you may benefit from the resources of one of the largest financial services companies and the experience that only a company with over 300,000¹⁷ policyholders can provide.

TransCare® II Long-Term Care insurance is designed with your needs in mind. It provides you with the flexibility and options you want to customize a Policy that can fit your needs.

For more information, call your licensed insurance agent/producer or contact Transamerica Life Insurance Company and we will have a licensed insurance agent/producer contact you.

¹⁷Market Share - Covered Lives, American Association for Long-Term Care Insurance, 2010 AALTCI Sourcebook.

TRANSAMERICA LIFE INSURANCE COMPANY

TRANSCARE®
Individual Long Term Care Insurance

II

Underwritten by Transamerica Life Insurance Company. Qualifying for benefits is required. Exclusions and limitations apply. Premiums and benefits vary depending upon plan selected. Contact [your insurance agent/producer] [or] [Transamerica Life] for details. Policy Series TLC 2-P 0410.

This advertisement is solicitation for insurance and an insurance agent/producer will contact you.

Transamerica Life Insurance Company

Home Office:
Cedar Rapids, Iowa

Administrative Office:
P.O. Box 95302
Hurst, Texas 76053-5302



SERFF Tracking #:

AEGJ-128660535

State Tracking #:

Company Tracking #:

ADV TLC SAV MPF LTCE

State:

Arkansas

Filing Company:

Transamerica Life Insurance Company

TOI/Sub-TOI:

LTC05I Individual Long Term Care - Nursing Home & Home Health Care/LTC05I.001 Qualified

Product Name:

ADV TLC SAV MPF LTCE

Project Name/Number:

ADV TLC SAV MPF LTCE/ADV TLC SAV MPF LTCE

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Cover Letter	Approved	08/30/2012
Comments:			
Attachment(s):			
AR Cover Letter.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Statement of Variability	Approved	08/30/2012
Comments:			
Attachment(s):			
Stmt of Variability TLC SAV MPF LTCE TC2 0712.pdf			



Home Office: Cedar Rapids, Iowa
 Long Term Care
 P O Box 95302
 Hurst, Texas 76053-5302
 800-553-7600, ext 3363
 joan.shumaker@transamerica.com

August 27, 2012

Commissioner Jay Bradford
 1200 West Third Street
 Little Rock, AR 72201

RE: Long Term Care Advertising

NAIC #: 86231
FEIN #: 39-0989781
Form # / Description: TLC SAV TC2 0712 Invitation to Inquire Savings
 TLC MPF TC2 0712 Invitation to Inquire Mini Pamphlet
 TLC LTCE TC2 0712 Invitation to Inquire Essentials

Dear Commissioner Bradford:

Enclosed are the referenced forms submitted for your review and approval. These forms are intended to replace form(s) or are new, as follows:

Form	Replaces	Approved	SERFF #
TLC SAV TC2 0712	TLC SAV TC2 AR 0112	1/3/12	AEGJ-127934881
TLC MPF TC2 0712	TLC MPF TC2 0611	9/20/11	AEGJ-127389857
TLC LTCE TC2 0712	None	N/A	N/A

These forms will be used to solicit policy form TLC 2-P AR 0410, which was approved by your department on October 11, 2010 (SERFF #AEGJ-126778143).

It is our intention to use these forms in both paper and electronic form.

Please note the following:

Transamerica is currently going through a rework of company and corporate logos. We request that you please look at this complete filing with that in mind. As soon as we receive all of the parameters of the new logos, we may be making the changes to advertising pieces, if necessary.

The advertising pieces in this filing have the current logo with the full statutory company name. Those are not marked variable because it has not been decided yet whether to change them to the new logo, or when to make the changeover.

Please see the Cover Letter for explanation of logo variable on the cover sheet. It will either be:



Transamerica Life Insurance Company

or it will be:



Bracketed information is intended to be variable. Please see the attached Variables document on the Supporting Documentation tab.

We trust that these forms will meet with your approval. If you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Joan Shumaker". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Joan Shumaker
Advertising Manager
Transamerica Life & Protection

Statement of Variability
For Forms: TLC SAV TC2 0712, TLC MPF TC2 0712, TLC LTCE TC2 0712

TLC SAV TC2 0712

Page 2:

[Richard] – Mike, Jamie, Shawn, Taylor – will be one name throughout piece.

[55] – 40 to 62

[\$1,310] – premium through HSA will depend upon the plan(s) chosen.

[15%] [28%] [35%] – the chart will reflect information when it becomes available and/or updated depending on plan(s) chosen.

[-\$197] [-\$367] [-\$459] – will be the amount he saves in Federal Income Tax depending upon the plan(s) chosen.

[-\$100] [-\$100] [-\$100] – will be the amount he saves on FICA tax @ 7.65% depending upon the plan(s) chosen.

Page 3:

[Sarah] – Debbie, Emma, Maria, Chris – will be one name throughout piece.

[58] – 40 to 62

[\$35,000] [\$50,000] [\$100,000] – the chart will reflect the savings through a Medical/Dental itemized deduction, depending upon the plan(s) chosen.

Page 4:

Contact [your insurance agent/producer] [or] Transamerica Life] for details – is variable depending upon the employer or association group. It will always be a licensed insurance producer/agent who talks with the customer about product benefits.

TLC MPF TC2 0712

Couples Discount [20%] - will be between 5% and 40%

Discount for Spouse/Partner Individual Applying Alone [10%] – will be between 5% and 15%

Preferred Health Discount [10%] – will be between 5% and 15%

Benefit Increase Options (BIO's) include(s):

Simple Benefit Increase Option Rider	Full Simple Benefit Increase Option Rider
Compound Benefit Increase Option Rider	Full Compound Benefit Increase Option Rider
Step-Rated Compound Benefit Increase Option Rider	Full Step-Rated Compound Benefit Incr. Option Rider
Tailored Benefit Increase Option Rider	Full Tailored Benefit Increase Option Rider

Payment Choices – options typically offered are:

[Pay to age 65 (Only pay until you turn 65. You must be under the age of 60 to select this payment option)]

[[10]-Pay (Pay for 10 years)] – Could be 5, 10, 15 or 20 years

[[5]-Pay (Pay for 5 years)] – Could be 5, 10, 15 or 20 years

[Single pay (One payment of the entire premium gives you a paid up Policy)]

[[XXX] –(Pay for [XXX])] – Could be another payment option being offered in the marketing package

Contact [your insurance agent/producer for details] [or] – is variable depending upon the employer or association group. It will always be a licensed insurance producer/agent who talks with the customer about product benefits.

[Simple,] [,] [Step-Rated Compound,] [or] [Deferred] will display, if included in the marketing package being offered.

Payment Choices:

[5-year Pay,] [10-year Pay,] [Pay to age 65] [and] – could be 5, 10, 15, 20 years..

[Call] [your insurance agent/producer] [,] [Transamerica Life [at XXX-XXX-XXXX]/ [or] [A]ttend an insurance sales presentation and enrollment meeting.” - is variable depending upon the employer or association group. It will always be a licensed insurance producer/agent who talks with the customer about product benefits.

Footnote 3: reduced to [15%] - can be 5% or 15%.

TLC LTCE TC2 0712

Page 14:

[Chris] – Mike, Jamie, Shawn, Taylor – will be one name throughout piece.

[50] – 40 to 62

[\$200] - could be \$50 to \$400 Maximum Daily Benefit – various state requirements for MDB are as follows:

In Massachusetts - \$50 to \$500

unless a Mass Health participant, then \$125 to \$500

In Vermont – \$75 to \$500

In Wisconsin - \$60 to \$500

[\$219,000] – could be \$250,000, \$150,000, \$300,000, \$350,000

[5%] – could be 3%, or 5%, as applicable.

The chart will reflect the appropriate: age, annual premium & additional cost depending on the employee at the time of application.

Page 15:

Contact [your insurance agent/producer for details] [or] – is variable depending upon the employer or association group. It will always be a licensed insurance producer/agent who talks with the customer about product benefits.