



Group Life with Long Term Care

Protecting loved ones during life's most challenging times

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February 1, 2022



Agenda

- About AffinityLTC and Allstate Benefits
- Why Life and Long-Term Care
- The Coalition Program Overview
- Implementation & Enrollment
- Customer Service

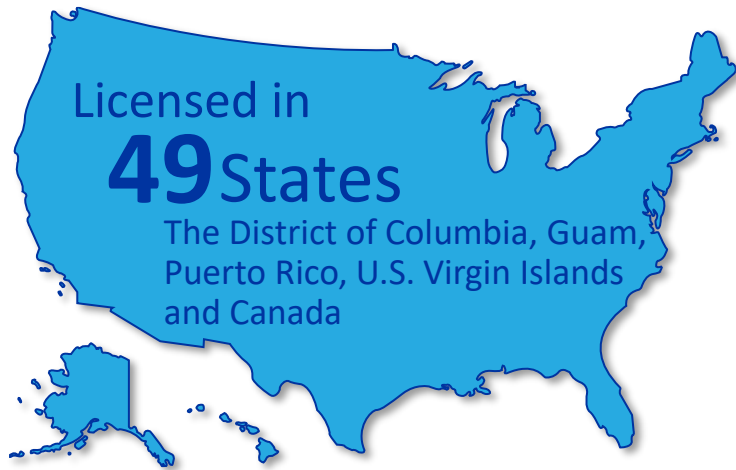


About AffinityLTC, LLC.

- AffinityLTC is a firm that specializes in the marketing and administration of employer and association-sponsored Long Term Care Insurance (LTCI) – currently one of the nations leading ‘exclusive’ Long Term Care Insurance brokerage firms.
- Through years of experience and a proven track record, AffinityLTC maintains a long-standing, exclusive level of contractual relationships with LTCI companies that have been made available to College & University Associations for consideration for their employees.
- Successfully implemented more than 150 Private College and University LTC Programs.
- Your “Go-To” partner for implementation, education and ongoing servicing for your membership.
- Incumbent broker friendly.



At a Glance



4.1 Million
Policies in force¹

Over
\$494 Million
in benefits paid in 2020



**We are the Good
Hands® people.**
the brand you know and trust



(1) Allstate Benefits Insight data 2020. (2) A.M. Best ratings reflect Best's opinion of relative financial strengths and operating performance. The A.M. Best rating is for American Heritage Life Insurance Company (AHL). It is also for Allstate Life Insurance Company of New York, based on its group affiliation with Allstate Life Insurance Company (IL). The Allstate Corporation has no direct responsibility for Allstate Life Insurance Company of New York's contractual or financial obligations. (3) 2020 National Retail Federation Top 100 Retailers List.

Allstate Benefits is the marketing name used by American Heritage Life Insurance Company (Home Office, Jacksonville, FL), a subsidiary of The Allstate Corporation.

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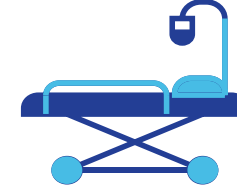
Our Core Products



accident



cancer



critical illness



disability



hospital indemnity



life

Product Overview



Long Term Care Facts

7 out of 10
people will need long term
care in their lifetimes¹



The monthly
median cost
for a nursing
home is

\$7,756¹ Per Month
= \$93,072
each year

On average, people requiring
long term care need services for
2 to 4 years²



Under certain conditions,
MEDICARE will pay a
portion of the expenses for
the first **100 days**

calendar

s	m	t	w	t	f	s
1	2	3	4	5	6	
8	9	10	11	12	13	1
15	16	17	18	19	20	2
22	23	24	25	26	27	3
29	30	31				

After day 100, you or
your family could be
left with **out of pocket
expenses** each month³



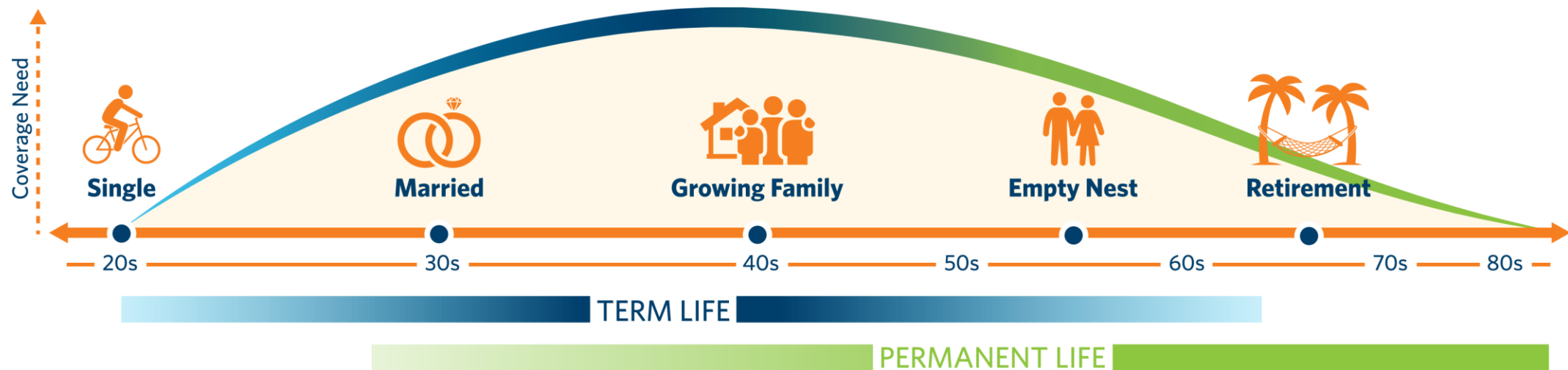
¹Genworth Cost of Care Survey 2020, Nursing Home Facility, Semi-private room. ²LongTermCare.gov – How Much Care Will You Need? ³Medicare.gov – Skilled Nursing Facility Care.

Coverage for All Life Stages

As people move through the stages of life, certain factors dictate the type of life insurance they need.

During working years, an employer may provide Term Life insurance for protection during high need years, but cash value life products can help give peace of mind by providing coverage for the end-of-life expenses that remain after the Term Life coverage expires. Cash value life products also build cash value that can be accessed by the policyholder at any time if needed.

The graph below illustrates the need for term and permanent life insurance throughout the various stages of life.



The Coalition program through



- **Products:** Choice of Group Universal Life 23 (GUL23) or Group Whole Life (GWL)
 - Only one product may be offered to a single group
- **Guarantee Issue Maximums**
 - Employee (18 - 70): \$175,000
 - Spouse (18 - 70)
 - Working: \$40,000 (Actively at work question required)
 - Non-Working: \$10,000
 - If working spouse status not available, GI maximum is \$10,000
 - Children (24hrs - 18yrs): \$20,000
 - Child Term Rider
- **Guarantee Issue Period**
 - During initial enrollment in year 1, and during annual enrollment in year 2. New hires and qualifying life events are always GI.
- **Minimum Participation** – 5 issued applications per employer group
- **3 Year Rate Guarantee**

The Coalition Plan

Life Coverage (GWL or GUL23)

Employee coverage: \$25k to \$175k, in \$25k increments

Spouse coverage: Working Spouse: \$10k, \$25k or \$40k
Non-Working Spouse: \$10k

Child Term Life Rider: \$10k or \$20k

Standard Riders (most states)*

- Accelerated Death Benefit for Terminal Illness
 - A lump-sum benefit up to 75% of death benefit
- Accelerated Death Benefit for **Long Term Care**
 - Monthly advance up to 4% of death benefit for up to 25 months
- Employee and Spouse coverage only

Alternative Riders*

- Accelerated Death Benefit for **Long Term Care with Extension of Benefits**
 - A monthly advance of up to 4% of death benefit for up to **50 months**
- Accelerated Death Benefit for **Chronic Illness**
 - A lump-sum payment of up to **50% or 100%** (employer choice)
- Employee and Spouse coverage only

* The riders listed above have exclusions and limitations and are subject to state limits.. Rider availability varies by primary insured, issue age and state requirements.

Qualifying for Accelerated Death Benefit for Long Term Care

- **Be diagnosed as Chronically Ill**
 - Means the insured has been certified by a licensed health care practitioner with the preceding 12-month period as: 1) being unable to perform, without substantial assistance from another individual, at least 2 Activities of Daily Living (bathing, continence, dressing, eating, toileting and transferring) for a period of at least 90 days due to a loss of functional capacity; **OR** 2) requiring substantial supervision to protect oneself from threats to health and safety due to cognitive impairment.
- **Satisfy 90-day Elimination Period**
- **Receive Qualified Long Term Care Services pursuant to plan of care prescribed by licensed health care practitioner**
 - Qualifying Confined Care – Assisted Living Facility or Nursing Care Facility
 - Qualifying Non-Confined Care – Home Health Care or Adult Day Care
- **Pre-existing condition limitation**
 - 6 / 6 pre-existing condition limitation applies to Accelerated Death Benefit for Long Term Care* and the Accelerated Death Benefit for Long Term Care with Extension of Benefits*

* The riders listed above have exclusions and limitations and are subject to state limits.. Rider availability varies by primary insured, issue age and state requirements.

Life with LTC Claims Scenarios



Scenario 1: Death Benefits

John leads a full life and does not require long term care or restoration of benefits



Policy Face Amount = \$100,000

Total Death Benefit = \$100,000

Scenario 3: Benefits Split

John leads a full life but requires 6-months of home health care

Policy Face Amount = \$100,000

Death Benefit = \$76,000

Long Term Care Benefits (6 months) = \$24,000

Total Death and Long-Term Care Benefits = \$100,000

Scenario 2: LTC Benefits

John leads a full life but requires long term care and has been certified chronically ill by a licensed health care practitioner



Policy Face Amount = \$100,000

Long Term Care Benefits (25 Months) = \$100,000

Total Death Benefit = \$0



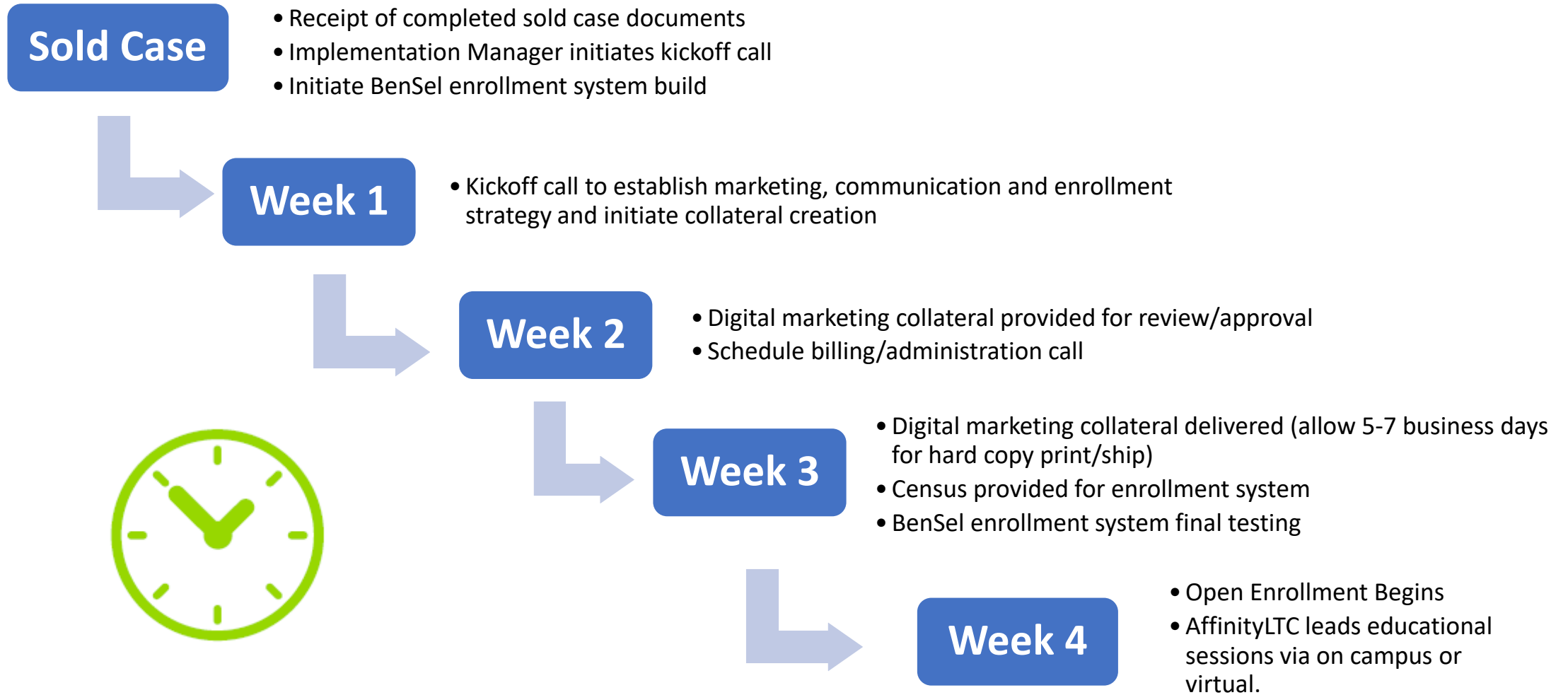
Whole vs. Universal Life Basics

Product	Whole Life	Universal Life
Type	Most stable life plan option available – premium amount locked in at time of purchase for your entire lifetime	Flexible premium plan – fluctuates based on interest rates and funding. Premium amount not locked in
Contract Chassis	Group	Group
Reduction	Benefit doesn't reduce	If not funded properly, plan may reduce terminate, or not last as long as expected
Death Benefit	Guaranteed level	Adjustable by policyholder – dependent upon paid premium, underwriting and tax limits
Premium	Guaranteed Level	Flexible (Target up to Maximum) – Employer may implement either option, and allow employees to adjust individually
Cash Value Accumulation	Guaranteed	Subject to current rates
Portability	Yes	Yes
Matures/Endows	Lasts to age 121	Lasts to age 95 dependent upon paid premium
Premium Period	Paid-up at age 95	To age 95 – dependent upon paid premium
Policy Fee or Premium	None	\$26/policy annually
Maturity Benefit	Pays out cash value which is equal or greater than death benefit	Pays out fund value

Implementation and Administration



BenSel - Implementation Timeline



Benefit Communications

- Allstate Benefits offers a variety of media to inform employers and employees about products and services

- Brochures
 - [SAMPLE: https://bcove.video/3cujo5n](https://bcove.video/3cujo5n)
- Product Videos
- Product FAQs
- Posters
- Desk drop postcards
- Microsites (1,000+ eligible lives)
- HTML emails (1,000+ eligible lives)
- Webinars



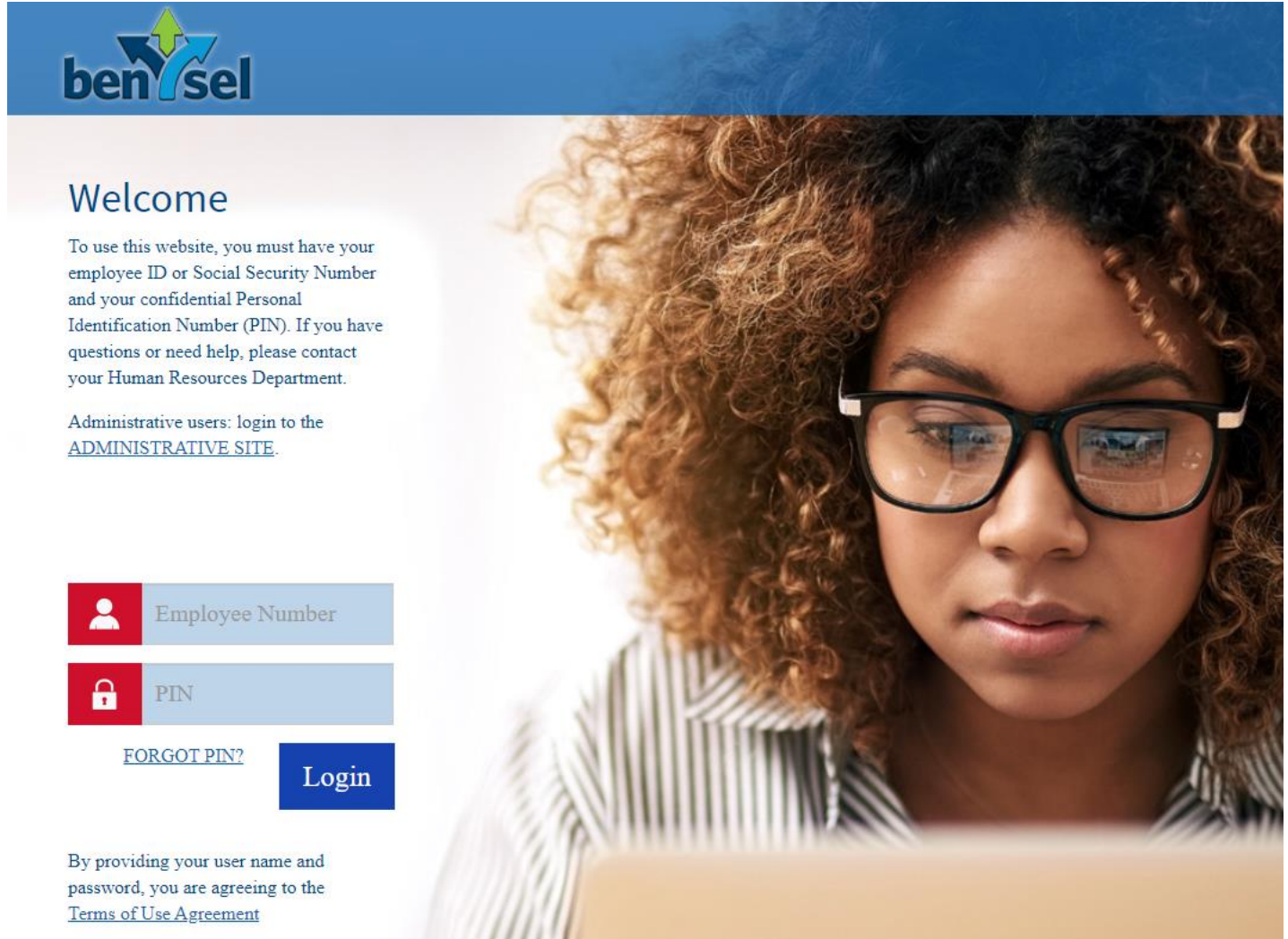
Enrolling through BenSel

Login

Employee Number = Full SSN
PIN = Last four of SSN and two-digit year of birth

Example: last four of SSN is 3214 and born in 1968. Your PIN is 321468

Employee ID may be substituted for SSN




The screenshot shows the BenSel login interface. At the top is the BenSel logo. Below it is a 'Welcome' message with instructions on how to use the website. There are two input fields: 'Employee Number' with a person icon and 'PIN' with a lock icon. A 'FORGOT PIN?' link is below the PIN field. A blue 'Login' button is to the right. At the bottom, there is a disclaimer about the Terms of Use Agreement. The background of the page features a woman with curly hair and glasses looking at a laptop.


benysel

Welcome

To use this website, you must have your employee ID or Social Security Number and your confidential Personal Identification Number (PIN). If you have questions or need help, please contact your Human Resources Department.

Administrative users: login to the [ADMINISTRATIVE SITE](#).

 Employee Number

 PIN

[FORGOT PIN?](#) **Login**

By providing your user name and password, you are agreeing to the [Terms of Use Agreement](#)

Enrollment Solutions - BenSel vs. 3rd Party

	BenSel	3 rd Party Platforms
Products Supported	GUL23 and GWL	GWL only
Employer Cost	None	Determined by platform
Multiple Policies Supported (i.e. Stacking)	Yes	Not available on most platforms
Rating	Tobacco Distinct or Uni-Tobacco Age-Banded or Age-Specific	Limitations apply based on platform
Employee/Spouse Benefit Amounts	Unlimited	Most prefer 3 options. Platform may determine benefit amounts offered.
Spouse Working Status Available	Yes, higher GI for working spouse	No
Child Coverage	Standalone or Child Term Rider	Child Term Rider
LTC Riders Supported	Yes	Additional build time for select platforms
EOI Supported	Yes, passed via EDI	No
Implementation Times	4 weeks from receipt of required sold case forms	Minimum 6-8 weeks

Customer Service

MyBenefits (Policyholders)

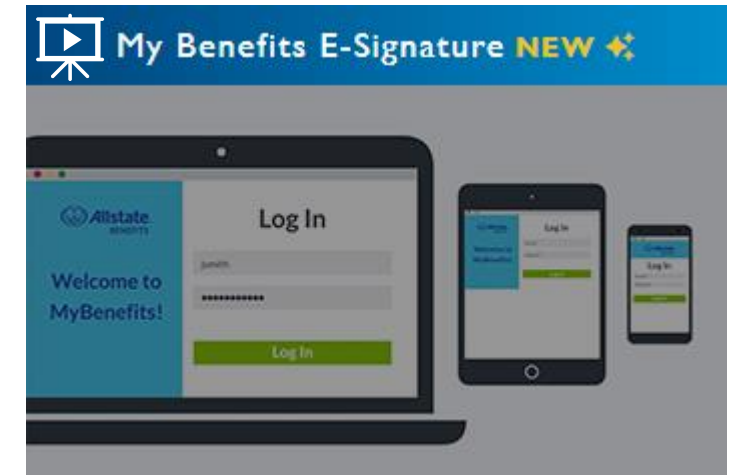
- Secure, 24/7 online access to benefit information including policies, certificates and claims history
- Quick and secure claims submission
- Viewable and downloadable Explanation of Benefits
- Fully mobile optimized
- **NEW** eSignature now available

Customer Care Center

- 8 a.m. to 8 p.m ET, Monday through Friday
- 1-800-521-3535
- 1-800-211-5533 (Spanish)

AffinityLTC

- 1-877-777-3512 (ext 301)
- info@affinityltc.com



Next Steps

1) Requesting proposals

- a) Reach out to AffinityLTC for no obligation proposal
- b) Allstate Benefits standard turnaround time is 5 business days

2) What will be included?

- a) Group Whole Life and Group Universal Life 23 (Target and Maximum premiums) unless you specify otherwise
- b) Includes Accelerated Death Benefit for Long Term Care Rider(s) or Chronic Illness Riders based on availability in your state
- c) Reminder: Only one product may be offered to your employees

3) Proposal review call

Are you in good hands?
You can be.



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