

**Research shows that more than half of all older Americans will eventually need long term care.**

That's help with daily activities such as bathing, dressing, eating, and getting around.

Long term care isn't medical care. So Medicare and most health insurance plans don't pay for it, and the costs are high. A one-year stay in a nursing home may cost \$50,000 or more annually. Qualified care at home may cost as much as \$100 or more per day. The cost of long term care is a financial burden that few are able to pay out of their income or savings.

That's why the State of New Jersey is offering its employees, retirees, and their extended families access to a new group long term care insurance plan to be administered by the Prudential Insurance Company of America.

**The State of New Jersey Long Term Care Plan offers you:**

**PROTECTION** — Group health insurance plans like those that participate in the State Health Benefits Program cover the cost of treatment for illnesses, but do not cover services that may be considered custodial in nature or just support activities of daily living. Therefore, they do not cover the cost of most long term care services. Medicare only pays a small portion and will cover some skilled services. Coverage under Medicaid, which is a joint federal and state program, is based on financial need. In many instances a person must use up their assets and demonstrate that their income is small before they can qualify for Medicaid. Enrollment in the State Long Term Care Insurance Plan will provide you with financial protection to help cover the cost of custodial type services not otherwise covered by health plans.

**INDEPENDENCE** — We all fear losing control over our lives. Long term care insurance can enable you to pay for the type of care you need. You can use your daily benefit to help pay for services such as home health aides, caregiver training, adult day care, care in an assisted living facility, or a nursing home. Counselors and referral services can help you find and utilize the types of services that you need. The Plan also provides coverage for care management services and respite care. The respite care feature offers relief for the friend or family member who is caring for you and assures you that you will be cared for during their temporary absence.

**PORTABILITY** — The Plan is totally portable. You may keep your coverage even if you change jobs or move out of state when you retire. It will remain in effect as long as you continue to pay the premiums.

If you enroll in the plan as a family member of an employee or retiree, and the coverage of that employee or retiree is terminated for any reason, there would be no impact on your coverage. Each covered person will continue to have coverage provided he or she continues to pay his or her premium.

**FLEXIBILITY** — Should your financial circumstances change, you have the flexibility to change your coverage. If you do not enroll in the Plan when you first become eligible or decide you would like to increase the benefit you purchased, you will have to submit proof of insurability at the time you enroll or apply for increased coverage. The Plan design also allows for periodic voluntary inflation increases or you may opt for an automatic inflation protection option.

**COST** — The younger you are when you add this benefit to your financial plan, the less expensive it is. Your age at the time you originally purchase the insurance is the primary factor for determining your cost for a basic policy.

**ELIGIBILITY** — Generally, all active and retired New Jersey State employees including those of the State's colleges and universities will be eligible to enroll in the Plan.

Family members eligible for the State plan include the spouse of each active and retired employee; adult children, stepchildren, and adult child's spouse; parents, stepparents, and parents-in-law; grandparents, step-grandparents, and grandparents-in law. Surviving annuitants of deceased retirees are also eligible.

**MORE INFORMATION AND AN ENROLLMENT KIT** — The enrollment period is during March, April, and May 2002 with an effective date of coverage on or about July 1, 2002. The State has begun an extensive communications and educational campaign concerning the Plan. You may have already received a pamphlet or letter at home. More information can be obtained by calling Prudential's Long Term Care Customer Service Center at: 1-800-732-0416 to get all of your questions answered and obtain an enrollment kit or by visiting the Division of Pensions and Benefits Web page at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

