

Comparison of the Aetna Group Long Term Care Insurance Plan and Virginia Retirement System Managed Program

Plan Features	Aetna Long Term Care Insurance Plan	VRS Managed Long Term Care Program
Eligible Participants	All participants in the Virginia Sickness and Disability Program (VSDP) as of November 30, 2007	All participants in the Virginia Sickness and Disability Program as of December 1, 2007
Plan Model	Service Reimbursement – Pays a benefit equal to the lesser of the qualified expenses incurred or the applicable Daily Benefit Amount.	Same
Premiums	Participants will pay premiums directly to Aetna	Coverage is free of charge to VSDP participants
Portability	Allows you to continue your coverage at the same group rates if you retire or cease employment.	Allows you to continue your coverage at the same group rates if you retire or cease employment.. In addition, if the VRS Managed Long Term Care Program were to be discontinued entirely at a future date, VRS would make arrangements with an insurance carrier that would allow you to continue your coverage.
Benefit Eligibility	You are eligible for benefits when a Licensed Health Care Practitioner (LHCP) certifies that you are unable to perform two of six Activities of Daily Living for at least 90 days or have a Severe Cognitive Impairment, such as Alzheimer's disease. Activities of Daily Living are Bathing, Continenence, Dressing, Eating, Toileting, Transferring.	Same
Daily Benefit Amount (DBA)	Your Daily Benefit Amount is \$75. This is the maximum amount of coverage the plan will pay in any single day for covered expenses. (See Future Purchase Inflation Protection below.)	Your Daily Benefit Amount is \$96. This is the maximum amount of coverage the plan will pay in any single day for covered expenses.
Lifetime Maximum Benefit	You have a 2 year Lifetime Maximum Benefit. To determine the amount of money available under your plan during your lifetime: \$75 DBA x 365 days x 2 years = \$54,750. (See Future Purchase Inflation Protection below.)	You have a 2 year Lifetime Maximum Benefit. To determine the amount of money available under your plan during your lifetime: \$96 DBA x 365 days x 2 years = \$70,080.
Benefit Payout:	Covered Expenses up to:	Covered Expenses up to:
Nursing Home or Hospice Facility	100% of DBA	Same
Assisted Living Facility	100% of DBA	Same
Home HealthCare and Adult Day Care	50% of DBA	Same
Hospice Home care	50% of DBA	Same
Informal Care Benefit	Provides for personal care in your home by family members, neighbors or other private-hire caregivers. Benefit paid at 25% of the Nursing Home DBA for up to 50 days per calendar year Benefits paid do not reduce your Lifetime Maximum.	Same

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Informal Caregiver Training	<p>Provides for training of your personal caregiver by health professionals.</p> <p>One payment per claim period up to the cost of training, up to 3 times your Nursing Home DBA</p> <p>Benefits paid do not reduce your Lifetime Maximum.</p>	Same
Bed Reservation	<p>While you are receiving benefits in a covered facility and your stay is interrupted to a hospitalization, the plan continues benefit payments if you are incurring charges to reserve a bed in such facility, up to 21 days per calendar year.</p>	Same
Respite Care	<p>Provides for substitute at-home care while your usual caregiver takes a break from providing care.</p> <p>50% of your Nursing Home DBA for up to 21 days per calendar year</p> <p>Benefits paid do not reduce your Lifetime Maximum.</p> <p>Respite Benefit paid on same day as other benefits up to your DBA</p> <p>You must satisfy the Waiting/Deductible Period before benefits are payable.</p>	Same
Transitional Care	<p>Provides a cash benefit to support the transition from being self-sufficient to needing care.</p> <p>One time payment equal to 3 times your Nursing Home DBA. Paid automatically as a cash benefit and can be used any way that you want.</p> <p>Benefits paid do not reduce your Lifetime Maximum.</p> <p>You must satisfy the Waiting/Deductible Period before benefits are payable.</p>	Same
Alternate Plan Benefit	<p>For bills submitted for which no Long Term Care Benefit is otherwise payable under the plan, Aetna (at its discretion) may pay a benefit under the Alternate Care Benefit.</p> <p>Covered expenses up to 50% of your Nursing Home DBA.</p>	Same
Waiting/Deductible Period	<p>Long Term Care insurance benefits are payable once you are eligible for benefits and have met the Waiting/Deductible Period. Only one 90-day Deductible Period needs to be met, regardless of how often and for what reason you become eligible for benefits.</p>	Same
Restoration of Benefits	<p>Restores your Lifetime Maximum Benefit or "pool-of-money" by the amount paid out in benefits when you recover from being eligible for benefits and begin making premium payments again. The Restoration of benefits is contingent on being out of claim for 90 days.</p>	Same

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Future Purchase Inflation Protection	<p>Gives you the opportunity to increase your Nursing Home DBA every five years on a 5% compound basis of your DBA without answering questions about your health. You will not be made an offer if you are in claim and have previously rejected the offer.</p> <p>If you retain your Aetna coverage, you will be given an offer to increase your DBA up to \$96.</p>	<p>While you remain a VSDP participant; your coverage is automatically adjusted for inflation on a 5% compound basis of your DBA at least every 5 years.</p> <p>If you retire or cease employment and continue your coverage at the same group rates, and you are under the age of 76 at the time you retire or cease employment, you will have the opportunity to increase your Nursing Home DBA at least every 5 years without answering questions about your health, unless you are in claim or have previously rejected the offer. If you are under age 61 at the time you retire or cease employment, the increase will be on a compound interest basis, and if you are at least age 61 at the time you retire or cease employment, the increase will be on a simple interest basis.</p>
Premium Waiver	<p>Allows you to stop making premium payment after you are eligible for benefits and have met the Waiting/Deductible Period. Payments resume 90 days after you are no longer eligible for benefits.</p>	<p>Same, except that while you remain a VSDP participant; there is no cost to you for the coverage.</p>
Coordination of Benefits	<p>With Medicare: benefits are not payable for any charges incurred by you for which benefits are payable under Medicare when Medicare is the primary payor (including benefits that would be payable for the application of Medicare's deductible or coinsurance feature).</p>	<p>Same</p>
Contingent Non-Forfeiture	<p>If a substantial premium rate increase occurs, you may continue coverage at current benefits levels by paying the new premium amount; or</p> <p>Elect to decrease your DBA resulting in a decrease in your Lifetime maximum Benefit; or convert your coverage to paid-up status (Paid-up Benefit Option).</p>	<p>As a VSDP participant there is no cost to you for this coverage.</p> <p>Upon ceasing to be a participating VSDP participant and porting your long term care coverage, if a substantial premium rate increase occurs, you may continue coverage at current benefit levels by paying the new premium amount; or</p> <p>Elect to decrease your DBA resulting in a decrease in your Lifetime maximum benefit; or convert your coverage to paid-up status (Paid-up Benefit Option).</p>
World Wide Coverage	<p>If you incur charges for services equivalent to those covered by this Plan and such services are received outside the United States or its territories, or Canada, Aetna will reimburse you for such charges.</p> <p>The amount of the benefit payable under this section will equal the benefit amounts described in the preceding benefit sections for the type of care or services received.</p> <p>However, not more than 365 days of charges will be covered.</p> <p>You must satisfy the Waiting/Deductible Period before benefits are payable.</p>	<p>Same</p>

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<p>Exclusions</p>	<p>Coverage under this group Long Term Care insurance policy has exclusions, limitations, reductions of benefits and terms under which the coverage may be continued in force or discontinued. This plan does not provide benefits for any of the following:</p> <ul style="list-style-type: none"> • a loss which is caused by war or any act of war; • a loss which is caused by a suicide attempt, while sane or insane, or intentionally self-inflicted injury; • any day that you are confined in a hospital, except on any day, up to a maximum of 21 days per calendar year, that you are also incurring charges to reserve a bed in a Nursing Care Facility or Assisted Living Care Facility; • any day of confinement in a government institution; unless a charge is made which you are obligated to pay; • any day on which benefits are provided or required because of the past or present service of any person in the armed forces of a government; • any charges incurred by you for which benefits are provided or required under any law, or other governmental program (This does not include a medical plan established by a government for its own employees or their dependents, Medicare or Medicaid.) 	<p>Same</p>