

Chapter 4. Long-term Care Plan

Table of Contents

VSDP LONG-TERM CARE PLAN (STATE EMPLOYEES)	1
Eligible Participants	
Plan Highlights	
Plan Benefits	
Applying for Long-term Care Benefits	
Continuing Long-term Care Coverage	
COV VOLUNTARY GROUP LONG-TERM CARE INSURANCE PLAN	6
Employer Participation	
Eligibility	
Plan Features	
Plan Offerings	

Long-term Care Plan

Long-term care programs provide help with everyday life tasks of a prolonged health problem or following a major illness, injury or surgery. VRS administers the Virginia Sickness and Disability Program (VSDP) Long-term Care Plan and the Commonwealth of Virginia (COV) Voluntary Group Long-term Care Insurance Program.

VSDP LONG-TERM CARE PLAN (STATE EMPLOYEES)

The VSDP Long-term Care Plan provides benefits for employees who need help with everyday life tasks because of a prolonged health problem or following a major illness or injury. The VSDP Long-term Care Plan helps pay for eligible services not covered by other health plans or Medicare.

Eligible Participants

All employees who are covered under VSDP may be covered under the VSDP Long-Term Care Plan at no cost to them. Employees who began long-term disability benefits prior to March 1, 2002, and never returned to covered employment, are not eligible for long-term care coverage. The VSDP Long-Term Care Plan assists with the cost of:

- Care in a nursing home or hospice facility
- Assisted living facility care
- Community-based care
- Home healthcare services

- Informal care-giving
- Alternative or transitional care

Long-term care benefits are payable 90 calendar days following the beginning of each incident when a licensed health care practitioner certifies the employee:

- Is unable to perform at least two of the six *activities of daily living* without substantial assistance; or
- Has a severe cognitive impairment, such as Alzheimer’s disease, requiring substantial supervision.

Activities of daily living are:

- Bathing,
- Dressing,
- Eating (ability to feed oneself),
- Controlling the bladder or bowel,
- Toileting (ability to get on and off the toilet and a reasonable level of personal hygiene), and
- Transferring (getting in or out of bed or chairs).

Plan Highlights

Daily Benefit Maximum Amount	\$96 per day. This is the maximum amount of coverage the plan will pay for covered services in any single day.
Lifetime Maximum Amount	\$70,080. The lifetime maximum amount is based on the maximum daily benefit amount of \$96 multiplied by 730 days (two years): \$96 x 730 days = \$70,080. Coverage ceases when the total benefit payouts reach \$70,080, regardless of how long benefits are paid.
Premiums	No charge as an active VSDP participant. See "Portability" below.

How Benefits are Paid Pays a benefit equal to the lesser of:

- Actual qualified expenses incurred per day; or
- Allowable daily benefit amount.

Waiting Period Benefits are payable 90 calendar days after the beginning of each incident certified by a licensed healthcare practitioner as eligible for VSDP long-term care benefits.

Portability If an employee leaves his VSDP-covered position, he can continue coverage in the VSDP Long-Term Care Program at group rates. The employee must elect to continue coverage within 60 days of leaving VSDP-covered employment and will pay the premiums. For more information, call the Long Term Care Group, Inc. toll free at 1-800-761-4057.

Plan Benefits

The following chart summarizes the coverage levels for each type of care:

Note: Coverage pays the lesser of the actual qualified expenses incurred per day or the allowable daily benefit amount.

Benefit	Coverage
Nursing Care Facility	Up to 100 percent of the maximum daily benefit amount of \$96. Provides skilled and custodial care in a nursing facility that meets all applicable licensing requirements.
Assisted Living Facility	Up to 100 percent of the maximum daily benefit amount of \$96. Personal services and care in an assisted living facility that meets all applicable licensing requirements.
Hospice Care Facility	Up to 50 percent of the maximum daily benefit amount (\$48). If the employee is terminally ill, provides care in a hospice facility that meets all applicable licensing requirements.

Home Health Care	<p>Up to 50 percent of the maximum daily benefit amount (\$48).</p> <p>Custodial care, nursing care, therapy and homemaker services provided in-home by nurses, social workers, home health aides or other licensed or certified professionals.</p>
Adult Day Care Center	<p>Up to 50 percent of the maximum daily benefit amount (\$48).</p> <p>Community-based, group setting for adults.</p>
Hospice Care Agency	<p>Up to 50 percent of the maximum daily benefit amount (\$48).</p> <p>If the employee is terminally ill, provides in-home care by a hospice care agency that meets all applicable licensing requirements.</p>
Alternate Plan Benefit	<p>Up to 50 percent of the maximum daily benefit amount (\$48).</p> <p>May cover an Alternate Plan of Care developed by the licensed health care practitioner, provided the employee, the physician and the Long-term Care Group, Inc. agree to the plan.</p>
Transitional Care	<p>One-time cash payment equal to three times the maximum daily benefit amount (\$288) to support the transition from independent living to long-term care. Employees may use this one-time payment in any way they wish.</p> <p>Note: This benefit does not reduce the lifetime maximum benefit.</p>
Informal Care Benefit	<p>Up to 25 percent of the maximum daily benefit amount (\$24) for up to 50 days per calendar year to provide for personal care from a family member, neighbor or private caregiver.</p> <p>Coverage pays the lesser of actual qualified expenses incurred per day or the allowable daily benefit amount.</p> <p>Note: This benefit does not reduce the lifetime maximum benefit.</p>

Informal Caregiver Training	<p>One payment each time the employee is receiving benefits to provide for the training of a personal caregiver by a licensed health care practitioner.</p> <p>Coverage pays the lesser of the actual amount of the cost of training or three times the maximum daily benefit amount (\$288).</p> <p>Note: This benefit does not reduce the lifetime maximum benefit.</p>
Bed Reservation	<p>If the employee is in a covered facility, such as a nursing home and has to be hospitalized, the plan covers up to 100 percent of the maximum daily benefit amount (\$96) for up to 21 days per calendar year.</p>
Respite Care	<p>Up to 50 percent of the maximum daily benefit amount (\$48) for up to 21 days per calendar year to provide for a substitute in-home caregiver while the usual caregiver takes leave.</p> <p>Note: The benefit does not reduce the lifetime maximum benefit.</p>
Care Advisory Services	<p>Helps identify local long-term care services and programs available that can best meet the employee's care needs. Services provided by care advisors are voluntary.</p>
World-Wide Coverage	<p>The employee will be reimbursed for charges incurred for services equivalent to those covered under this plan outside the United States, its territories or Canada. The amount of the reimbursement will equal the benefit amounts allowable under the plan for up to 365 days of services.</p>

Applying for Long-term Care Benefits

The employee, a family member or friend must contact the Long Term Care Group, Inc. within 60 days of the employee being certified by a licensed health care practitioner of his qualification for benefits.

Long Term Care Group, Inc.
P.O. Box 64011
St. Paul, MN 55164-0011
Toll-free: 1/800/761-4057

A customer service representative will explain the information needed to process the claim. Within 10 days of receiving the completed application,

the Long Term Care Group, Inc. will send the employee a written notice of benefits.

Continuing Long-term Care Coverage

Employees who terminate or retire from a VSDP-covered position may elect to continue participating in the long-term care plan when they are no longer working at their own expense. The employee pays the premium, which is based on group rates. The plan benefits and eligibility requirements are the same as those for active employees. The employee is billed directly for the premiums.

The employee must complete the VSDP Long-Term Care Plan Authorization of Coverage Retention (VRS-170) within sixty calendar days of the last day of VSDP-covered employment.

For more information and the cost of premiums, contact the Long Term Care Group toll free at 1/800/761-4057.

COV VOLUNTARY GROUP LONG-TERM CARE INSURANCE PLAN

Most medical plans don't cover long-term care services such as nursing home care or at-home care to assist with bathing, eating or other activities of daily living. Anyone at any age may need these services, the cost of which can quickly deplete savings or retirement income. The Commonwealth of Virginia (COV) Voluntary Group Long Term Care Insurance Program can help with these costs.

VRS has contracted with Genworth Life Insurance Company as the insurer for the program. Coverage provides a monthly benefit allowance for covered long-term care expenses.

Employer Participation

State agencies automatically participate in the COV Voluntary Group Long Term Care Program. The program is available by election to the following employers:

- Cities, counties and towns
- Any political entity, subdivision, branch or unit of the Commonwealth
- Any commission or public authority or body corporate created by or under an act of the General Assembly
- Public School Divisions

Employers who wish to participate in the COV Voluntary Group Long Term Care Insurance program should complete an Employer Adoption Agreement and submit it to VRS.

Eligibility

Individuals who are between the ages of 18 and 79 are eligible to apply for coverage in the COV Voluntary Long Term Care Insurance Program if he or she is a:

- State employee or faculty member who works at least 20 hours a week.
- School instructional or management employee or political subdivision employee who works at least 20 hours a week, provided the employer has elected to participate in the program
- Deferred members who are vested (have 5 years of service credit with a VRS participating employer)
- Retiree receiving a VRS-administered benefit
- Retiree of a Virginia public college or university

Note: The former employer of the deferred member or retiree is not required to have elected the program.

Select family members of eligible individuals also may apply. Family members include a spouse, adult children, parents, parents-in-law, step parents, step parents-in-law, grandparents, grandparents-in-law, step grandparents and step grandparents-in-law between the ages of 18 and 79. Employees can find more information about the program and how to apply

by calling Genworth Life toll free at 1-866-859-6060 or visiting Genworth's Web site for employees at www.genworth.com/cov.

Plan Features

- Premiums are paid by the employees so there is no cost to the employer.
- New employees do not have to have medical underwriting (provide proof of good health). Medical underwriting is required of any family members who wish to apply.
- At group rates, the premiums may be more affordable. Premium rates are guaranteed through March 1, 2020 and will increase only if an employee makes a change to coverage.
- Employees can pay the premiums through payroll deduction or directly to Genworth. If they wish to pay through payroll deduction, they should submit a Post-Tax Salary Deduction Authorization Form to Genworth. If they arrange to pay the premiums to Genworth on a quarterly, semi-annual or annual basis, their premiums may be reduced.
- Employees can choose one of three benefit increase options that will allow them to increase their coverage over time to help protect against the rising cost of care.
- Employees who are eligible for the [Virginia Sickness and Disability Program \(VSDP\) Long-Term Care Plan](#) or have other long-term care insurance may be able to coordinate with the COV voluntary program to obtain even more coverage.

Plan Offerings

The following benefit options are available.

Monthly Benefit Options	Maximum Lifetime Benefit Options (Monthly Benefit X Selected Plan Term)			Benefit Increase Options
	\$ 72,000	\$ 108,000	\$ 180,000	
\$ 3,000	\$ 72,000	\$ 108,000	\$ 180,000	Future Purchase Option ¹
\$ 4,500	\$ 108,000	\$ 162,000	\$ 270,000	3% Compound for Life
\$ 7,500	\$ 180,000	\$ 270,000	\$ 450,000	5% Compound for Life

¹ This option will allow an individual an opportunity to purchase a benefit increase every three years without further proof of good health