

# MONTANA



## LONG-TERM CARE INSURANCE 2019 RATE COMPARISON GUIDE



# COMMISSIONER OF SECURITIES & INSURANCE

MATT M. ROSENDALE  
COMMISSIONER



OFFICE OF THE  
MONTANA STATE AUDITOR

Dear Montanan,

The Office of the Montana State Auditor, Commissioner of Securities and Insurance, is pleased to provide you with a copy of the *2019 Long-Term Care Insurance Rate Comparison Guide*. It is a valuable resource for comparing long-term care insurance prices. If you decide to purchase long-term care insurance, our hope is that the information and tips provided here and on the long-term care shoppers guide will save you time and help you select the policy that best meets your needs.

The data featured on the comparison charts was provided by long-term care insurers who completed our survey. The rates are only applicable to Montana and are subject to change at any time. Rates quoted in this guide are effective January 1, 2019. The price quote you receive from a company may depend on your personal situation. Cost of premiums will vary among companies depending your eligibility for coverage, age at purchase, the length of coverage, and the types of benefits chosen.

***For specific information, you must contact the individual insurance companies.*** The insurance companies in this guide may also offer more plans than those shown in the comparison charts. ***This guide is intended to be used as an example only.*** If you have additional questions, please contact the Office of the Montana State Auditor, Commissioner of Securities and Insurance. Knowledgeable staff is available to assist you with a wide-range of insurance issues. Call the consumer assistance hotline at 1-800-332-6148 or for more useful information visit the agency website at [www.csimt.gov](http://www.csimt.gov).

Sincerely,

Matthew M. Rosendale, Sr.  
Commissioner of Securities & Insurance  
Montana State Auditor



*As Commissioner of Securities & Insurance, I'm here to serve you. Please let my office know if you need anything.*

# Shopping for Long-Term Care

## What is Long-Term Care?

Long-term care refers to a wide variety of services and supports which can be provided in your home, your community, or in other living arrangements. Living arrangements often include retirement communities, assisted living facilities, or nursing homes. The services help with chronic illness, disabilities, or other conditions that limit you physically or mentally. Long-term care assists with activities of daily living such as getting dressed, eating, personal grooming, bathing or using the restroom. Most long-term care is for simple daily activities. Beyond that, skilled nursing care is necessary.

## Menu of Long-Term Care Insurance Policy Options

**Long-term care policies are not standardized. Each company sells policies that offer and combine benefits in different ways. The price you pay will be based upon the benefits you select and underwriting.**

**When deciding what to include in your long-term care insurance policy you need to determine the following:**

- *How much can you afford to pay out-of-pocket?*
- *How much of a daily benefit do you need? What is the average cost for assisted living and long-term care in your area?*

After determining the cost of these services, you can estimate what your daily benefit should be.
- *How long of a benefit period do you need?*

Consider your family health history and your current health when determining the benefit period. For instance, does your family have a history of chronic illness? Has any family member ever been in a long-term care facility? (On average, after turning age 65, only 13% of people spend more than 2 years in a nursing home.)
- *How long of an elimination period (waiting period) do you want?*

The elimination period is comparable to the deductible on your insurance policies and can be 0-180 days, or longer. The longer the elimination period the lower the long-term care insurance premium. The shorter the elimination period the higher the long-term care insurance premium. Determine how long you could afford to pay for long-term care before the long-term care insurance is needed and this will help determine an elimination period.
- *What riders do you want to include?*

There are several different long-term care insurance riders you can add for a cost to your policy:

  - **Compounding inflation protection:** Increases your daily benefit each year by usually 3-5% depending on the policy. If you are under age 70 when you purchase the insurance, you may want to consider this option.
  - **Non-forfeiture benefit:** Returns at least part of the premiums if you cancel your policy or let it lapse.
  - **Waiver of Premium:** Relieves the insured of paying the premiums while receiving benefits.
  - **Premium refund at death:** Pays your estate any premiums you paid minus any benefits the company paid.

# Partnership Plans

The Long-Term Care Partnership program is a public-private cooperative program. Partnership Policies offer long-term care insurance which help pay for your long-term care needs while also helping to protect your assets when applying for Medicaid after insurance benefits run out.

After depleting their insurance benefits, individuals who purchased qualifying long-term care policies may still qualify for Medicaid early, before spending down all their assets. (Please note: Qualifying policies must be accompanied by a “Partnership Status Disclosure Notice”.)

The Long-Term Care Partnership program provides dollar for dollar asset protection. Each dollar your Partnership policy pays out in benefits entitles you to keep a dollar of your assets if you ever need to apply for Medicaid services. The state will disregard the policyholder’s personal assets equal to amounts paid out under a qualifying insurance policy when it determines the person’s eligibility for Medicaid assistance.

For most people, the benefits of their private Partnership insurance policy will provide all the care they will ever need. But because of this unique asset protection feature, you will not have to impoverish yourself if you run out of insurance benefits and still need care.

## Currently Approved Long-Term Care Partnership Plans in Montana

| Company Name                                   | Website  |
|--|--|
| American General Life Insurance Company        | <a href="http://www.aig.com">www.aig.com</a>                               |
| Assurity Life Insurance Company                | <a href="http://www.assurity.com">www.assurity.com</a>                     |
| Bankers Life & Casualty Company                | <a href="http://www.bankerslife.com">www.bankerslife.com</a>               |
| Berkshire Life Insurance Company of America    | <a href="http://www.guardianlife.com">www.guardianlife.com</a>             |
| Genworth Life Insurance Company                | <a href="http://www.genworth.com">www.genworth.com</a>                     |
| John Hancock Life Insurance Company (USA)      | <a href="http://www.johnhancock.com">www.johnhancock.com</a>               |
| LifeSecure Insurance Company                   | <a href="http://www.yourlifecure.com">www.yourlifecure.com</a>             |
| Massachusetts Mutual Life Insurance Company    | <a href="http://www.massmutual.com">www.massmutual.com</a>                 |
| MedAmerica Insurance company                   | <a href="http://www.medamericaltc.com">www.medamericaltc.com</a>           |
| Metropolitan Life Insurance Company            | <a href="http://www.metlife.com">www.metlife.com</a>                       |
| Mutual of Omaha Insurance Company              | <a href="http://www.mutualofomaha.com">www.mutualofomaha.com</a>           |
| New York Life Insurance Company                | <a href="http://www.newyorklife.com">www.newyorklife.com</a>               |
| Northwestern Long-Term Care Insurance Company  | <a href="http://www.northwesternmutual.com">www.northwesternmutual.com</a> |
| Prudential Insurance Company of America        | <a href="http://www.prudential.com">www.prudential.com</a>                 |
| State Farm Mutual Automobile Insurance Company | <a href="http://www.statefarm.com">www.statefarm.com</a>                   |
| Thrivent Financial for Lutherans               | <a href="http://www.thrivent.com">www.thrivent.com</a>                     |
| Transamerica Life Insurance Company            | <a href="http://www.transamerica.com">www.transamerica.com</a>             |
| United of Omaha Life Insurance Company         | <a href="http://www.mutualofomaha.com">www.mutualofomaha.com</a>           |

# Frequently Asked Questions

## What is an elimination period?

The policies quoted include a 90-day elimination period. This means that even though your medical professional has determined that you need long-term care services, the policy will not begin to pay for your care until you or another source pays for 90 days of care. When purchasing a policy, it is important to determine that you have enough money to pay for your care during the elimination period.

## Why should a policy cover more than nursing home care?

Research shows that most people prefer to receive care in their own homes. Purchasing a policy that includes a wide-range of services allows your care wishes to be met and your caregiver to receive in-home assistance.

## How many years should I purchase coverage?

The length of coverage needed depends on your health, life expectancy, financial ability to pay and other factors. The \$100 daily benefit rates show a 2-year benefit period while the \$200 daily benefit rates show a 3-year benefit period. However, other options are also available, such as one year, three-year, five-year, eight years or in rare cases a lifetime benefit. The longer the benefit period you select, the higher the premium.

## What is Inflation protection?

Inflation protection increases your daily benefit over time. Companies offer 3% or 5%, simple or compound interest inflation. Compound interest will cost more because the benefit increases greatly overtime.

### Compound Inflation protection example:

Three friends each purchase a long-term care insurance policy. Karen added 5% compound inflation protection, Hannah added 5% simple inflation protection, and Linda declined because of the extra cost. They each started with a \$100 daily benefit. After ten years, Karen had a \$162.89 daily benefit, Hannah had \$150 and Linda still only had a \$100 daily benefit.

## What is Non-forfeiture benefit?

Non-forfeiture benefits return at least part of your premiums if you cancel the policy or let it lapse.

### Non-forfeiture benefits example:

Karen also decided to include non-forfeiture benefits to her policy while Linda declined, again due to the added cost to her policy. After 20 years of paying on their policies, they both faced financial difficulties and could no longer afford the monthly premiums. Because Karen decided to purchase non-forfeiture benefits, she will receive some or all the money she paid into the policy; and since Linda did not include the non-forfeiture benefits, she will get no direct monetary benefit.

# How much do Long-Term Care Insurance Policies Cost in Montana?

The cost will depend on the daily benefit amount, type of care you need, and where the care is provided. Long-term care is generally financed using a combination of personal resources, Medicaid assistance, or long-term care insurance.

For the purposes of this rate comparison guide, certain policy features were selected from the menu of choices to determine the cost of long-term care insurance in Montana. The price you pay is based upon the coverage options you select. Because long-term care insurance policies are not standardized, our survey asked for rate quotes on several different policies offering various levels of coverage from companies licensed to sell in Montana. The rates listed on the charts are average quotes; your rates may differ depending on your personal situation. There are three \$100 daily benefit and three \$200 daily benefit example rate charts. These rates are a sampling of many options available. Shop around to choose which company and policy options are best for you.

## Explanation of Comprehensive Policy Quotes

We define the 'Comprehensive' benefit as a qualified Long-Term Care product providing complete coverage for home health, adult daycare, assisted living, and nursing home care.

## Consumer Contacts for Participating Companies

| Company Name                                | Telephone #    | Website              |
|---|----------------|----------------------|
| Bankers Life & Casualty Company             | 1-800-231-9150 | www.bankerslife.com  |
| LifeSecure Insurance Company                | 1-866-582-7702 | www.yourlifecure.com |
| Massachusetts Mutual Life Insurance Company | 1-800-272-2216 | www.massmutual.com   |
| New York Life Insurance Company             | 1-800-224-4582 | www.newyorklife.com  |
| Thrivent Financial for Lutherans            | 1-800-847-4836 | www.thrivent.com     |
| Transamerica Life Insurance Company         | 1-800-797-2643 | www.transamerica.com |
| United Security Assurance Company of PA     | 1-800-872-3044 | www.usaofpa.com      |

### Shoppers Guide

For more information on long-term care go to [csimt.gov](http://csimt.gov), under insurance select long-term care, and click the shoppers guide.

<http://csimt.gov/wp-content/uploads/LTC-Shoppers-Guide.pdf>

# Long-Term Care Insurance Sample Rates – Table 1

- \$100 daily benefit
- 2-year benefit period
- 90-day elimination period (insured pays first 90 days)
- **Without** non-forfeiture protection
- Coverage of nursing home, home care, assisted living and community care benefits

| Annual Premium                                  |           |                         |                      |                      |
|---|-----------|-------------------------|----------------------|----------------------|
| Company   | Issue Age | No Inflation Protection | 3% Compound Interest | 5% Compound Interest |
| Bankers Life & Casualty Company                 | 50        | \$588                   | \$1,337              | \$2,540              |
| Mass Mutual                                     |           | \$471                   | \$1,025              | \$2,020              |
| New York Life                                   |           | \$650                   | \$1,850              | \$3,229              |
| Thrivent Financial <sup>1</sup>                 |           | \$570                   | \$1,260              | \$2,428              |
| Transamerica Life                               |           | \$742                   | N/A                  | \$3,340              |
| United Security Assurance Co of PA <sup>2</sup> |           | \$594                   | N/A                  | \$1,166              |
| Bankers Life & Casualty Company                 |           | 55                      | \$743                | \$1,567              |
| Mass Mutual                                     | \$575     |                         | \$1,145              | \$2,072              |
| New York Life                                   | \$768     |                         | \$1,989              | \$3,251              |
| Thrivent Financial <sup>1</sup>                 | \$750     |                         | \$1,470              | \$2,580              |
| Transamerica Life                               | \$866     |                         | N/A                  | \$3,464              |
| United Security Assurance Co of PA <sup>2</sup> | \$649     |                         | N/A                  | \$1,221              |
| Bankers Life & Casualty Company                 | 60        |                         | \$1,000              | \$1,898              |
| Mass Mutual                                     |           | \$754                   | \$1,330              | \$2,207              |
| New York Life                                   |           | \$986                   | \$2,273              | \$3,462              |
| Thrivent Financial <sup>1</sup>                 |           | \$930                   | \$1,683              | \$2,697              |
| Transamerica Life                               |           | \$1,125                 | N/A                  | \$3,632              |
| United Security Assurance Co of PA <sup>2</sup> |           | \$737                   | N/A                  | \$1,397              |
| Bankers Life & Casualty Company                 |           | 65                      | \$1,425              | \$2,445              |
| Mass Mutual                                     | \$1,081   |                         | \$1,708              | \$2,629              |
| New York Life                                   | \$1,314   |                         | \$2,710              | \$3,803              |
| Thrivent Financial <sup>1</sup>                 | \$1,410   |                         | \$2,256              | \$3,328              |
| Transamerica Life                               | \$1,631   |                         | N/A                  | \$3,930              |
| United Security Assurance Co of PA <sup>2</sup> | \$1,045   |                         | N/A                  | \$1,848              |
| Bankers Life & Casualty Company                 | 70        |                         | \$2,168              | \$3,337              |
| Mass Mutual                                     |           | \$1,742                 | \$2,503              | \$3,588              |
| New York Life                                   |           | \$2,081                 | \$3,802              | \$5,083              |
| Thrivent Financial <sup>1</sup>                 |           | \$1,890                 | \$2,816              | \$3,969              |
| Transamerica Life                               |           | \$2,496                 | N/A                  | \$4,893              |
| United Security Assurance Co of PA <sup>2</sup> |           | \$1,661                 | N/A                  | \$2,695              |
| Bankers Life & Casualty Company                 |           | 75                      | \$3,256              | \$4,613              |
| Mass Mutual                                     | \$2,922   |                         | \$3,910              | \$5,312              |
| New York Life                                   | \$3,037   |                         | \$4,974              | \$6,315              |
| Thrivent Financial <sup>1</sup>                 | \$3,060   |                         | \$4,039              | \$5,202              |
| Transamerica Life                               | \$4,071   |                         | N/A                  | \$6,758              |
| United Security Assurance Co of PA <sup>2</sup> | \$2,607   |                         | N/A                  | \$3,949              |

<sup>1</sup> Thrivent Financial - \$3,000 Monthly Benefit instead of \$100 daily benefit

<sup>2</sup> United Security Assurance Co of PA - 100-day Elimination Period instead of 90-day

*Please Note: The above premium rates reflect surveys completed by the insurers and only those insurers who chose to respond to the survey are included.*

## Long-Term Care Insurance Sample Rates – Table 2

- \$200 daily benefit
- 3-year benefit period
- 90-day elimination period (insured pays first 90 days)
- **With** non-forfeiture protection
- Coverage of nursing home, home care, assisted living and community care benefit

| Annual Premium                                  |           |                         |                      |                      |
|---|-----------|-------------------------|----------------------|----------------------|
| Company   | Issue Age | No Inflation Protection | 3% Compound Interest | 5% Compound Interest |
| Bankers Life & Casualty Company                 | 50        | \$2,734                 | \$6,440              | \$12,451             |
| LifeSecure Insurance Company <sup>3</sup>       |           | \$2,146                 | \$5,043              | \$9,034              |
| Mass Mutual                                     |           | \$1,268                 | \$2,758              | \$5,438              |
| New York Life                                   |           | \$1,893                 | \$5,385              | \$9,401              |
| Thrivent Financial <sup>1</sup>                 |           | \$1,555                 | \$3,561              | \$6,874              |
| Transamerica Life                               |           | \$2,023                 | N/A                  | \$9,449              |
| United Security Assurance Co of PA <sup>2</sup> |           | \$1,855                 | N/A                  | \$3,437              |
| Bankers Life & Casualty Company                 | 55        | \$3,351                 | \$7,242              | \$12,840             |
| LifeSecure Insurance Company <sup>3</sup>       |           | \$2,808                 | \$5,982              | \$10,138             |
| Mass Mutual                                     |           | \$1,547                 | \$3,081              | \$5,578              |
| New York Life                                   |           | \$2,234                 | \$5,792              | \$9,465              |
| Thrivent Financial <sup>1</sup>                 |           | \$2,074                 | \$4,147              | \$7,258              |
| Transamerica Life                               |           | \$2,361                 | N/A                  | \$9,797              |
| United Security Assurance Co of PA <sup>2</sup> |           | \$1,937                 | N/A                  | \$3,519              |
| Bankers Life & Casualty Company                 | 60        | \$4,385                 | \$8,539              | \$13,868             |
| LifeSecure Insurance Company <sup>3</sup>       |           | \$3,928                 | \$7,543              | \$11,746             |
| Mass Mutual                                     |           | \$2,030                 | \$3,580              | \$5,941              |
| New York Life                                   |           | \$2,869                 | \$6,619              | \$10,079             |
| Thrivent Financial <sup>1</sup>                 |           | \$2,527                 | \$4,675              | \$7,582              |
| Transamerica Life                               |           | \$3,066                 | N/A                  | \$10,210             |
| United Security Assurance Co of PA <sup>2</sup> |           | \$2,210                 | N/A                  | \$4,065              |
| Bankers Life & Casualty Company                 | 65        | \$6,083                 | \$10,681             | \$15,848             |
| LifeSecure Insurance Company <sup>3</sup>       |           | \$5,939                 | \$10,214             | \$14,074             |
| Mass Mutual                                     |           | \$2,910                 | \$4,598              | \$7,078              |
| New York Life                                   |           | \$3,826                 | \$7,890              | \$11,071             |
| Thrivent Financial <sup>1</sup>                 |           | \$3,953                 | \$6,364              | \$9,329              |
| Transamerica Life                               |           | \$4,445                 | N/A                  | \$11,069             |
| United Security Assurance Co of PA <sup>2</sup> |           | \$3,219                 | N/A                  | \$5,620              |
| Bankers Life & Casualty Company                 | 70        | \$9,005                 | \$14,120             | \$19,452             |
| Mass Mutual                                     |           | \$4,689                 | \$6,738              | \$9,659              |
| New York Life                                   |           | \$6,060                 | \$11,068             | \$14,798             |
| Thrivent Financial <sup>1</sup>                 |           | \$5,378                 | \$7,960              | \$11,026             |
| Transamerica Life                               |           | \$6,806                 | N/A                  | \$13,816             |
| United Security Assurance Co of PA <sup>2</sup> |           | \$4,739                 | N/A                  | \$7,854              |
| Bankers Life & Casualty Company                 |           | 75                      | \$13,013             | \$18,792             |
| Mass Mutual                                     | \$7,867   |                         | \$10,525             | \$14,301             |
| New York Life                                   | \$8,843   |                         | \$14,473             | \$18,385             |
| Thrivent Financial <sup>1</sup>                 | \$8,813   |                         | \$11,545             | \$14,629             |
| Transamerica Life                               | \$11,098  |                         | N/A                  | \$18,867             |
| United Security Assurance Co of PA <sup>2</sup> | \$7,533   |                         | N/A                  | \$11,633             |

<sup>1</sup> Thrivent Financial - \$6,000 Monthly Benefit instead of \$200 daily benefit

<sup>2</sup> United Security Assurance Co of PA - 100-day Elimination Period instead of 90-day

<sup>3</sup> LifeSecure Insurance Co - 50-Month Benefit Period rather than 3 Years

*Please Note: The above premium rates reflect surveys completed by the insurers and only those insurers who chose to respond to the survey are included*

# Discounts Available from Participating Companies

**Rates in Montana do not vary by gender or marital status. However, some companies offer discounts such as a discount for living with another person.**

| Company Name                                      | Discount Available   |
|---|--|
| Bankers Life & Casualty Company                   | A companion discount - 15% companion discount will apply to two insureds who have lived together for at least five years when they both purchase coverage.   |
| LifeSecure Insurance Company                      | 10% discount when both spouses apply for coverage, regardless of whether both policies are issued.   |
| Massachusetts Mutual Life Insurance Company       | Covered Partner Discount - 30% discount. Requires two applicants to represent they are partners and that each be issued a MassMutual long-term care policy.<br>Partner Discount - 15% discount. Requires applicant to represent he/she is a partner. |
| New York Life Insurance Company                   | 25% - Both partners must apply and be approved.  |
| Thrivent Financial for Lutherans                  | 25% when both people are insured and 10% when only one is insured.   |
| Transamerica Life Insurance Company               | A companion discount of 30% is offered if both are insured with identical benefits. Otherwise the companion discount is 15%.   |
| United Security Assurance Company of Pennsylvania | 10% discount on the higher of the two premiums when both apply together and are approved on the same plan.   |

## Additional Insurance Rates Comparison Guides

The Montana Commissioner of Securities & Insurance website contains additional rate comparison guides for auto, homeowners, and Medicare supplement.

[www.csimt.gov/your-insurance](http://www.csimt.gov/your-insurance)



## CONTACT US

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### **Consumer Hotline**

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Or

Toll-free

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