

AETNA Long Term Care

Aetna Life Insurance Company (Aetna) has made a business decision to exit the nationwide group long term care insurance market. This means Aetna will not continue to offer group long term care insurance, but will continue to service existing insureds under the terms of their Aetna coverage. Aetna has been the insurer for the TRS Group Long Term Care Insurance Program since 2000 and this decision by Aetna was not expected. As was announced in the March 2009, TRS-News, following a competitive bidding process the TRS Trustees selected Genworth Life Insurance Company (Genworth) to replace Aetna. Aetna is cooperating with TRS and Genworth to facilitate a smooth transition for current Aetna insured and provide opportunities for individuals wishing to obtain long term care insurance. All current insureds have been mailed personalized information packets that explain their options. More information will be made available on this Website in the future, but for now, we would like to remind everyone of the following key points:

1. No current enrollee in Aetna's long term care insurance will be required to change or drop their Aetna coverage;
2. Current insureds who choose to remain with Aetna will still have the rates for their current level of benefits guaranteed to October 1, 2012, but after August, 2009, they will need to pay their premiums directly to Aetna; and
3. Individuals who choose to transfer their long term care insurance from Aetna to Genworth will have an opportunity to do so through July 15, 2009, under the terms of their individualized transfer offer that has been mailed to their homes by Genworth.

You can get additional information and ask questions via Aetna's toll-free number 1-877-894-2462 or Genworth's toll-free number 1-866-659-1970.

A Message from Aetna

While the Teacher Retirement System of Texas (TRS) has been making group long-term care insurance available through Aetna Life Insurance Company (Aetna) for several years. TRS is now introducing a new group long term care insurance plan underwritten by Genworth Life Insurance Company (Genworth) effective September 1, 2009.

For those of you who are currently enrolled in the plan offered through Aetna, you have a one-time opportunity to replace your Aetna coverage with coverage offered through Genworth. Since Aetna decided to stop selling long term care insurance, Aetna won't be making plan enhancements, nor will they develop new product offerings in the future. The Aetna plan will close, which means no new enrollment for employees or eligible family members. Aetna will cease deducting premium from your payroll/pension after the last deduction in August, 2009 and you will be direct billed should you stay with the Aetna plan. All existing members have the right to continue their coverage with Aetna under the terms of their Certificate of Insurance.

The following Questions and Answers provide additional information regarding the Aetna coverage:

Is my Aetna LTC coverage (policy/certificate) still valid?

Yes, provided that any required premiums are paid, your Aetna coverage will remain in effect until you terminate it, exhaust your benefits, or transfer your coverage to Genworth.

Will my Aetna coverage continue to increase under the inflation protection provision?

If you have the auto inflation feature in place, coverage will continue to increase subject to the terms of your Certificate of Insurance. If you do not have auto inflation, you will continue to receive periodic offers to increase your Aetna coverage subject to the terms of your Certificate of Insurance.

Will I still receive a benefit from Aetna if/when I ever go into claim?

Aetna will continue to pay LTC claims for eligible members who maintain their coverage with Aetna in accordance with the terms and conditions of their Certificate of Insurance.

Are the Aetna rates changing?

The current Aetna rates are guaranteed through 9/30/2012. Aetna cannot increase premiums on your coverage alone. However, Aetna reserves the right to adjust rates on a class basis in the future. Aetna does not have the ability to increase rates at its discretion. Any rate increase must be justifiable, and would need to be approved by the various state insurance departments before it could be implemented.

Will TRS still be the Policyholder for the Aetna coverage?

SBISD Benefits Guide 2009-2010

No. Upon the case closing to new enrollments, the Group Policy will be assigned to the Aetna Group Long Term Care Trust. Under the Trust, Aetna will continue to administer your coverage in accordance with the terms of the Group Policy.

Should I cancel my Aetna coverage?

Whether or not you cancel your coverage with Aetna is a personal decision. Your Aetna coverage remains in effect until you terminate it, exhaust your benefits or transfer it to Genworth. If you decide to cancel your Aetna coverage, no premiums will be returned to you.

Why you need LTC

Whether you should buy long term care insurance coverage will depend on your age, health status, overall retirement goals, income and assets. Many people buy coverage because they want to stay independent of government aid or the help of their family. They don't want to burden anyone with having to care for them.

You should consider buying long term care insurance if:

- You have significant assets and income
- You want to help protect some of your assets and income
- You can pay premiums, including possible premium increases without financial difficulty
- You want to stay independent of the support of others
- You want to have the flexibility of choosing care in the setting you prefer or will be most comfortable in

In the state of Texas, the average daily cost is:

<u>Location</u>	<u>Private</u>	<u>Semi-Private</u>
Dallas/Ft. Worth	\$166	\$113
Houston	\$168	\$113
Austin	\$187	\$115
State Average	\$173.67	\$113.67

Genworth Long Term Care

http://www.genworth.com/content/products/long_term_care/long_term_care.html

The last thing many of us want is to be a burden on our loved ones as we grow older. The possibility of needing long-term care is something that we all must face as we enter our twilight years, and this type of care doesn't come cheap. The cost of living in an assisted care facility can range anywhere from \$30,000 to \$70,000 a year or more, and for many people, Medicaid or Medicare will not pay the full amount, or possibly any. A **Long-Term Care Benefit** is a life insurance rider policy that provides the insured with the funds to pay for any necessary long-term assisted care, and can be an extremely beneficial policy to buy.

For one, as the health-care programs such as Medicaid and Medicare continue to be cut, fewer people will qualify, and there will be fewer benefits paid by these programs. This policy can also prevent you from burdening your family financially, or from relying on the state to provide care for you. If you currently have health problems that may eventually require long-term care, or a family history of long-term illness, this type of policy may be something to consider. The purpose of life insurance is to prevent your family from any financial loss or burden, and this type of rider could greatly increase the chance that you and your family will be provided for should the need arise.

To learn more about long term care insurance, we suggest you discuss your options with your financial professional.

For General Questions

1 888 GENWORTH (1 888 436.9678)

Monday - Friday 8AM - 7PM ET

contactus@genworth.com

For Service and Policy Questions

1 800 456.7766