

# THE HEALTH CARE REFORM ACT

INCLUDING

# The CLASS Act

(COMMUNITY LIVING ASSISTANCE SERVICES AND SUPPORTS ACT)

## HAS BEEN SIGNED INTO LAW

The CLASS Act set up a **mandatory** long-term care insurance program for every employee in America. The goal is to begin the plan in January, 2013 but benefits will **not** be payable until 2018.

As you can see from the Comparison below, benefits payments under the CLASS Act are much less than benefit payments under a Private Plan. Premiums under the CLASS Act are generally more expensive too. Also note that Qualifying for Benefits under the CLASS Act could be more difficult because the number of (inability to perform) Activities of Daily Living is still being determined. Lastly, unemployed spouses are not eligible for coverage under the CLASS Act.

When both spouses apply under a Private Plan, the cost of coverage is much less. Private insurance can even pay benefits to a spouse who is uninsurable due to health or other reasons.

## Comparing the CLASS Act to Private Long-Term Care insurance

CLASS ACT (GOVERNMENT PLAN)	PRIVATE INSURANCE
Pays an average of just \$50 a day (or \$1500 per month).	Pays up to: <ul style="list-style-type: none"><li>• \$3,600 a month Pure Cash with No Elimination Period or Bills to Submit</li><li>• \$18,000 a month for Professional Home Care Services.</li><li>• \$9,000 a month for Basic Home Care Services, Assisted Living or Nursing Facility Care.</li></ul>
Five year vesting period <b>plus</b> employee must be actively at work for at least three years.	Choice of Calendar Day Elimination Period No Elimination Period for Cash Benefit.
Up to \$240 monthly premium - for all employees regardless of age.	Premium based on age on application. The younger you are, the lower your premium.
No Rate Guarantee	Five-Year Rate Guarantee (can be extended up to ten years)
Inflation matches CPI. No other options.	Choice of Benefit Increase Options - Compound, Simple, Guaranteed-Buy Up and more.
Inability to perform three Activities of Daily Living can make it harder to qualify for benefits. (Number of ADL's to be determined)	Policy requires only two Activities of Daily Living - a contract provision that cannot be changed.
Unemployed spouses and family members are NOT eligible for coverage.	Spouses and extended family members can apply for coverage. Coverage available to individuals age 18-80.

*Benefits and options may vary by state and insurance company.*