Why is Advocate offering long term care insurance as an optional benefit?

- Advocate is committed to offering optional, high-quality benefits to help associates live well, to protect them financially and to help them plan for a secure financial future.
- The cost of long term care can be devastating to a 401(k) or other retirement savings. Long term care insurance can help associates plan ahead and can help protect their family’s financial security.

How does long term care insurance work?

- Long term care insurance helps provide for the cost of care when assistance with two or more activities of daily living is required for 90 days or longer due to a loss of functional capacity or you require substantial supervision to protect you from threats of health and safety due to severe cognitive impairment. Activities of daily living include, bathing, continence, dressing, eating, toileting and transferring.
- Once you have an approved care plan from a licensed health care practitioner specifying what qualified long term care services are needed, long term care insurance will help pay the out-of-pocket charges you incur, up to the maximum daily benefit amount (elected by you at enrollment) for long term facility care, home care, home health care, adult day care or hospice care.

Why should I consider buying long term care insurance?

- Research shows that 1 in 2 people will need long term care in their lifetime.
- 70% of people over 65 will require extended care at some point.
- The average annual cost of a nursing facility in Illinois is more than $92,000 and the average stay is about 3 years – that’s $270,000.
- Generally, health and disability insurance do not cover the cost of long term care.
- Medicare and private Medicare supplement insurance benefits are extremely limited and are not really designed to provide extensive coverage for long term care.

Who is eligible for long term care insurance?

- Benefits eligible associates with at least 180 days of service.
- Spouse/partner and adult children age 18+
- Extended family members – parents, parents-in-law, grandparents

Who provides the coverage?

- Coverage is provided by Transamerica Life Insurance Company.

What does it cost?

- Discounts of up to 40% are offered through the group rate available through Advocate.
- Your cost will be determined by your age, the level of coverage purchased, along with any additional features you may elect.
- The younger you are, the lower the premiums

Will my rate ever change?

- Rates may be subject to change, but not without prior approval from the State of Illinois Insurance Commission
- Savings are substantial over the lifetime of your policy when you enroll at an early age
How do I pay for it?
- Associates pay for long term care insurance for themselves and spouse/partner with after tax deductions from their paycheck.
- If an extended family member elects long term care insurance, they would pay premiums direct to Transamerica.

What happens if I leave Advocate?
- Your insurance is portable, meaning you take it with you when you retire or leave Advocate and pay premiums direct to Transamerica.

How do I learn about details of the plan?
- Call 888.333.7649 to talk with a long term care representative

When can I enroll and how do I enroll?
- A special enrollment period will be announced once a year.

What if I don’t enroll between July 18 and September 30, 2016?
- Associates can enroll during special enrollment periods in future years at a discounted rate

How do adult children or extended family members enroll?
- Adult children (18+), parents, in-laws, and grandparents should enroll direct at the website: AdvocateLTC.com

Will I need to answer health questions when I apply for coverage?
- All participants need to answer basic health questions.
- Additional health information may be requested.

Who do I call with questions?
- Call 888.444.7649 to talk with a long term care representative.

When will payroll deduction begin for associates and covered spouse/partner?

<table>
<thead>
<tr>
<th>Application Received</th>
<th>Payroll Deduction Begins</th>
<th>Effective Date of Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 7/31/2016</td>
<td>9/1/2016</td>
<td>10/1/2016</td>
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<tr>
<td>After 7/31/2016 but on or before 8/31/2016</td>
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<td>After 8/31/2016 but on or before 9/30/2016</td>
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