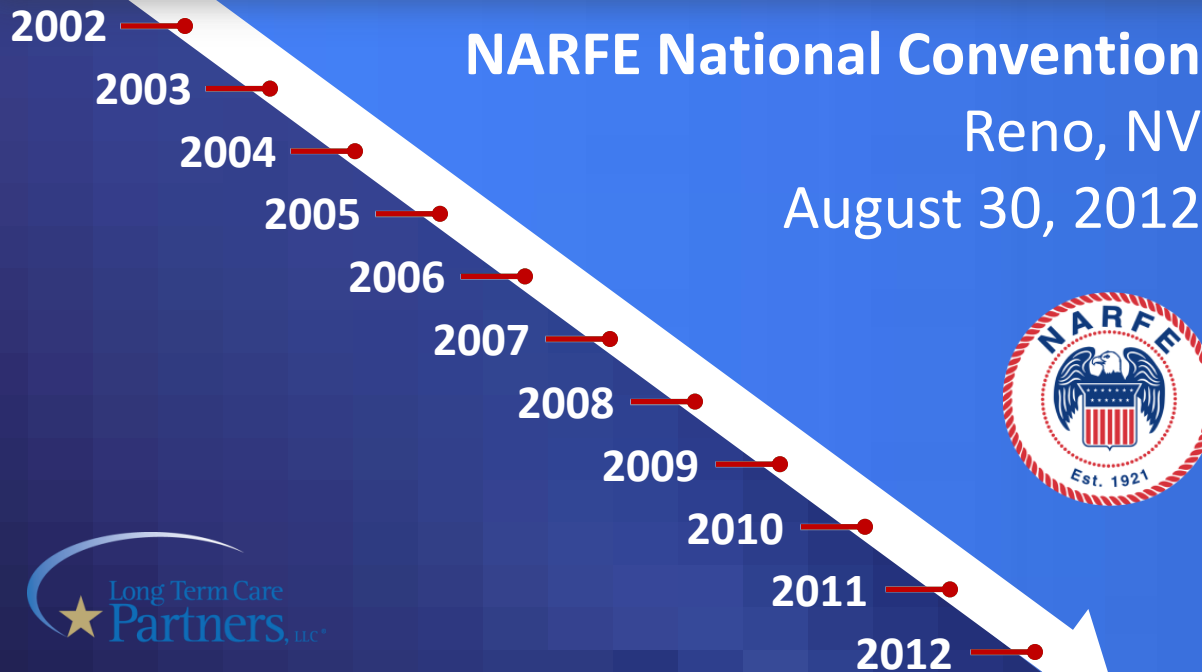


The Federal Long Term Care Insurance Program™

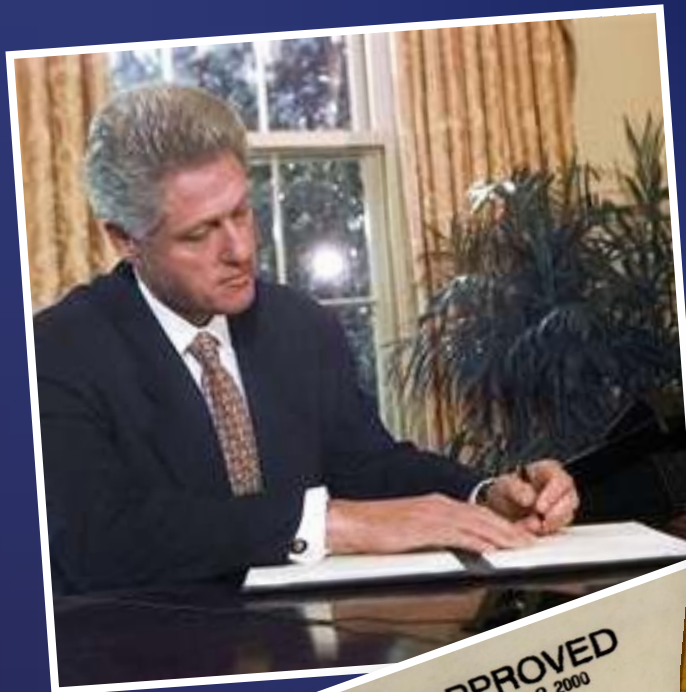
The First Decade



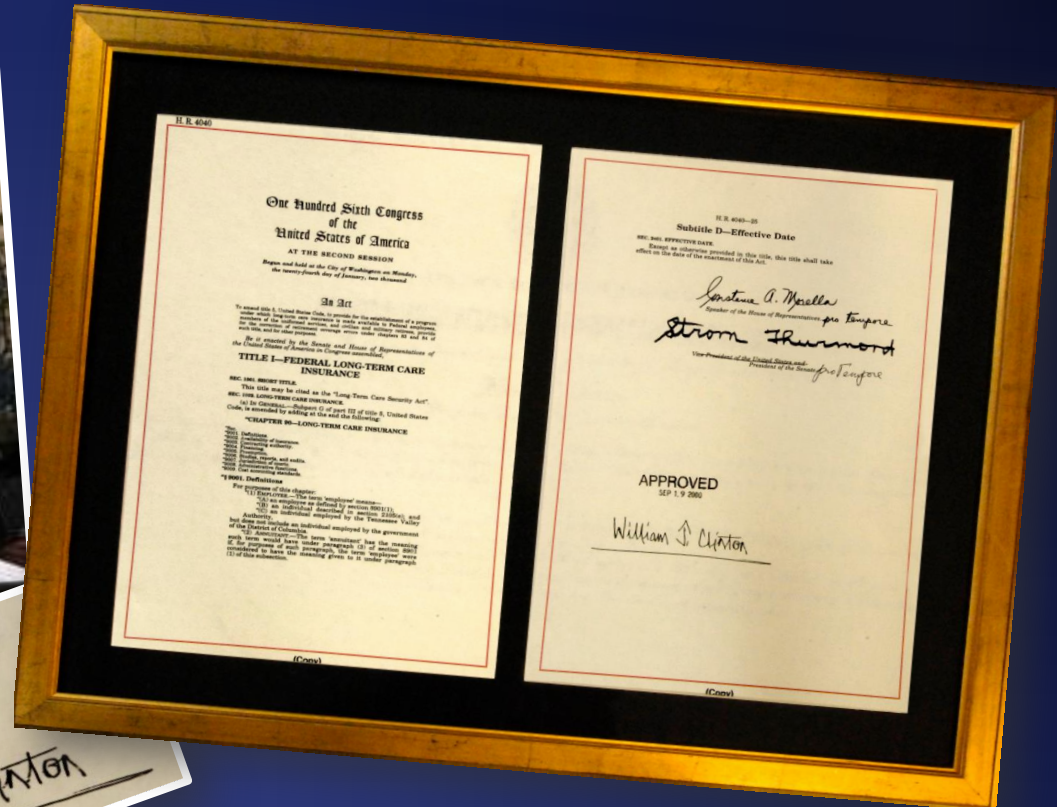
By Paul E. Forte
Chief Executive Officer
Long Term Care Partners, LLC



Statute: The Long Term Care Security Act of 2000



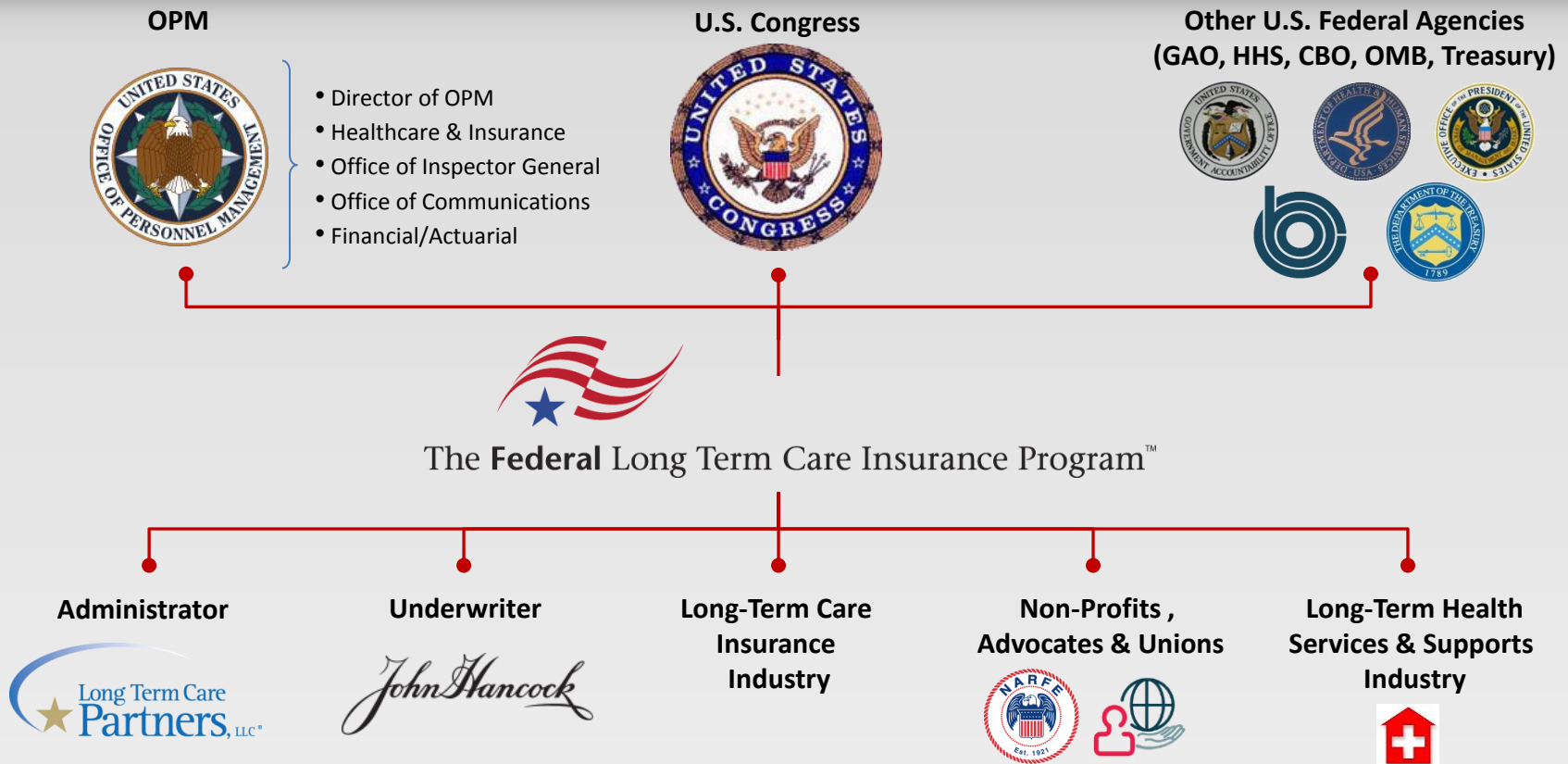
APPROVED
SEP 19 2000
William J. Clinton



The Federal Long Term Care Insurance Program™

FLTCIP: A Public-Private Partnership

FLTCIP STAKEHOLDERS



Core Eligibles:

8 Million

Annualized Premium:

\$428 Million

Enrollees:

270,000+

Assets under Management:

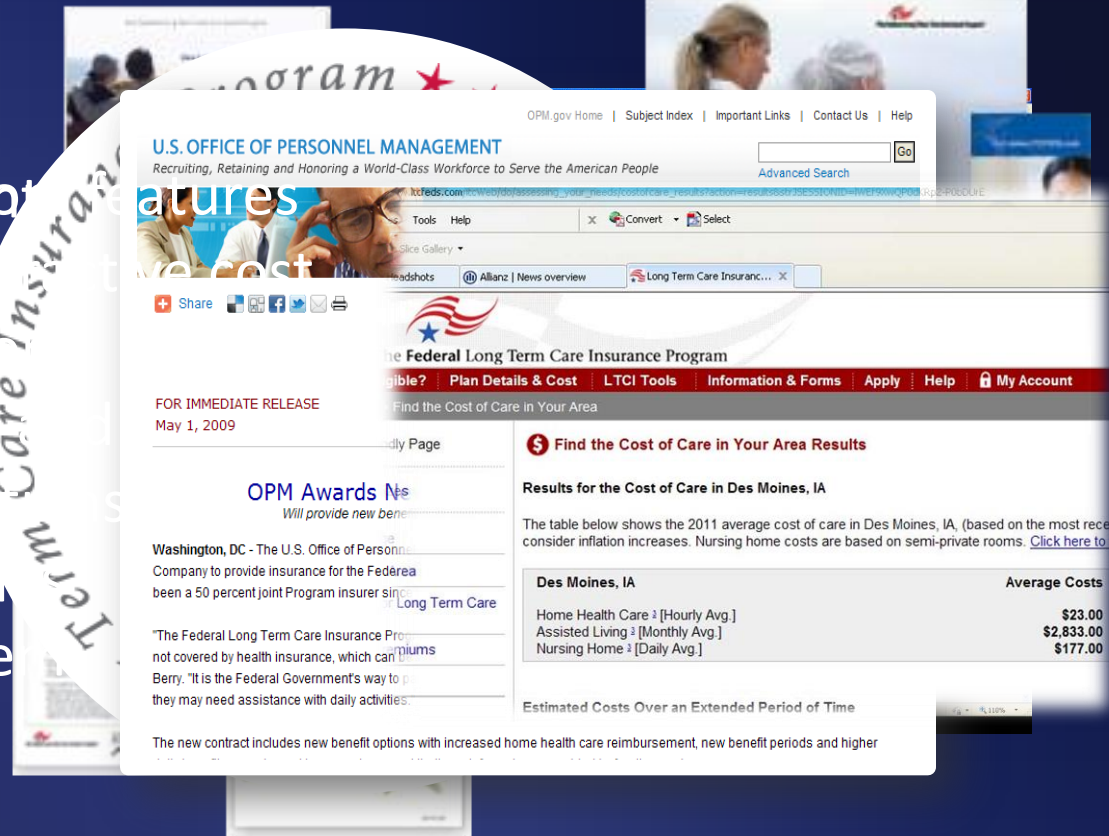
\$3 Billion

(as of March 31, 2012)

FLTCIP's Evolution and Major Milestones

2001-2003

- New, faster claim processing system introduced



2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012

FLTCIP: 10-Year Progress Report



- 270,000 current enrollees
- Performance standards met or exceeded every year
- Website (LTCFEDS.com) attracts one million visitors per year. Resources include: Premium Calculator, award-winning Online Consultant Tool, online applications
- Leader in Care Coordination, Family Support, Self-Service, Information Security, and other measures of quality
- FLTCIP expenses consistently under budget, w/gains captured by FLTCIP Experience Fund (US \$3 billion)

FLTCIP: 10-Year Progress Report

Claims Activity*:

- 10,000+ claims opened
- 8,000 in benefit
- 3,000 claims active
- 170 new claims, 60 new information/referral calls per month



* Projected through October 2012

FLTCIP claimants receive over \$6.5 million monthly

FLTCIP and NARFE: A Strong Alliance



- NARFE's legislative efforts → 2000 ratification
- NARFE forums (conferences, articles, retirement seminars, etc) provide invaluable forum to educate/raise awareness
- NARFE's feedback → plan upgrades, design changes

Result: a best-in-class long term care plan for current and future federal employees and annuitants

You Asked...We Heard: FLTCIP 2.0



Result: greater customer satisfaction

Long Term Care Insurance Plans May Look Similar...



...But Yours is Different

“Under the hood”: FLTCIP’s customized features

Informal
home health
care benefits

Care
coordination by
experienced RNs

Independent
3rd party
review of
claims



OPM oversight; NARFE input

International
benefits

Assets held in
separate
account

No war or
mental health
exclusion

FLTCIP’s true value requires looking below the surface

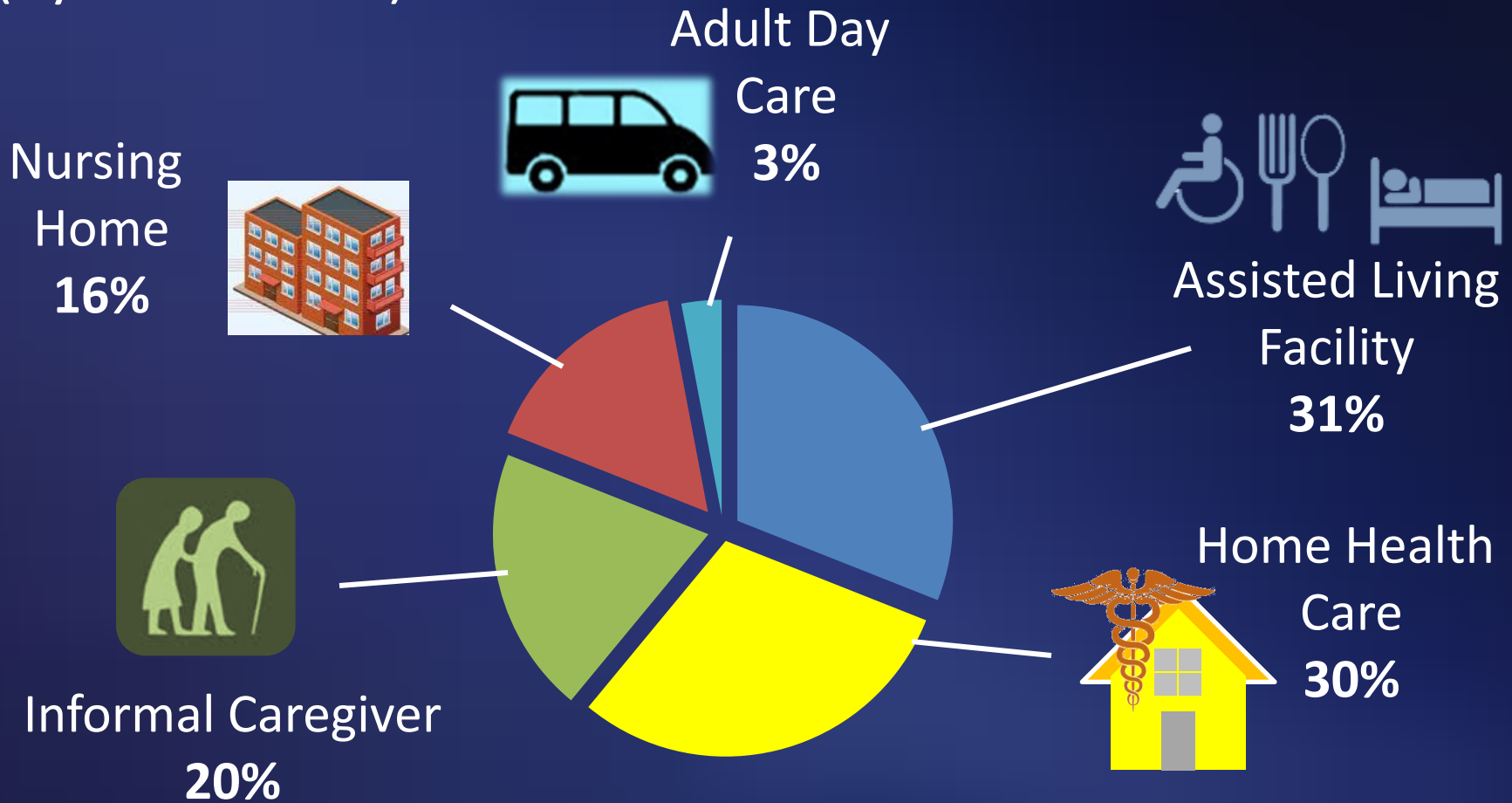
Your FLTCIP Care Coordinators



The FLTCIP Care Coordination team

How FLTCIP Enrollees Are Using Their Benefit

Type of LTC Care Received in 2012 (by % of claims)



Testimonials

"You don't know term care already provided who is caring an question know to Catherine for a help." - Janice

"Nancy She is s unders inform made much family - Kar

"I was very pleasantly surprised at the quality

"Carolee took great care and concern with my mother's long term care case assignment... it took a lot of patience on her part but she never let any annoyance show."
- Shoshana

been very e to my and She has a caring nd shows ern for my condition."



Realities of Long Term Care in 2012

- Aging demographic; millions of retirees unprepared
- Increased longevity
- High costs of care
- Low personal savings rate, loss of home equity
- Inflation risk
- Deficit, entitlement cutbacks



The need for a reliable means of financing long-term care services is greater than ever

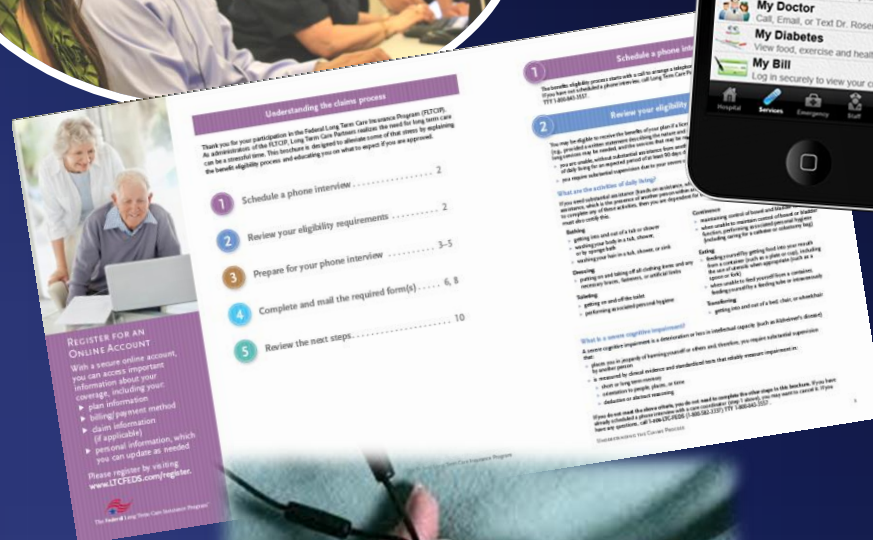
FLTCIP: A Better Route

- LTCI: a reliable way to handle costs, achieve peace of mind
- FLTCIP program offers outstanding value, choice and independence
- Supports “aging in place”; prevents reliance on Medicaid



FLTCIP: Future Directions

- More claims being paid
- Continued education
- Research on new plan designs (FLTCIP 3.0)
- Ongoing efficiency and service improvements
- Future opportunities, challenges & unknowns: e.g., effects of ACA/health care reform, election results



Thanks Again!



The Federal Long Term Care Insurance Program™

