



Long-Term Care Insurance

May 15, 2019 notice to all CNA Long Term Care participants

We have received a number of inquiries related to the recent communications that you received from Cornell and CNA, our vendor who issued your long term care insurance policy. We recognize the premium increase and the change to direct billing has an impact on all policy holders and hope that the attached FAQs provide needed clarifications to questions that have been raised.

[Download our letter and FAQs here.](#)

Long-term care insurance covers the costs associated with extended long-term care due to a chronic disease or long-lasting disability. While nursing home care may be necessary, services can also be provided in adult day care centers, assisted living facilities, or at-home care.

Coverage is available to all benefits-eligible employees, their spouses/domestic partners, parents/parents-in-law, grandparents/grandparents-in-law and retirees and their spouses/domestic partners. You may enroll in long-term care insurance at any time.

Enrollment

RetirementGuard, a brokerage firm contracting with Cornell University and other Ivy league institutions, provides consultative advice about long-term care insurance to benefits-eligible employees and their family members. Through their **Private Exchange** they provide a selection of competitive individual long-term care insurance policies. The premiums are **discounted** due to the Cornell affinity. If you want to learn more about RetirementGuard and the companies they quote please visit www.myLTCexchange.com/cornell or call them directly at 1-888-793-6111.

Current CNA Plan Participants

CNA no longer accepts new long-term care (LTC) insurance enrollments (as of February 2016). **As a current policy holder, your policy is still valid, as long as you continue to pay the premiums.** You are protected by the financial strength of CNA. They are a highly rated insurance company with ample reserves to cover their obligations.

The rules and regulations of the NY State Department of Finance (formerly the Department of Insurance) will hold CNA to their commitments.

If you have questions about your policy, you may phone CNA at (866) 234-9031; or contact [HR Services and Transitions Center](#) at 607-255-3936.

May 15, 2019 updates for all CNA LTC participants

[Accordion]

Letter from the Senior Director

Dear Long Term Care Policy Holder:

We are writing in response to a number of inquiries related to the recent communications that you have received from Cornell and CNA, our vendor who issued your long term care insurance policy. We recognize the premium increase and the change to direct billing has an impact on all policy holders and hope that the information in the FAQ's that are on the pages that follow provides needed clarifications to questions that have been raised.

If you have questions related to your specific policy, please contact CNA directly at 866-234-9031. If you have questions in general about Cornell benefit offerings, please contact the Cornell HR Services and Transitions Center at 607-255-3936 or hrservices@cornell.edu.

We appreciate the opportunity to provide these clarifications and remain available to help answer your Cornell benefit questions.

Sincerely,

Gordon L. Barger
Senior Director, Benefit Services and Administration

CNA Long Term Care Insurance FAQs

Why can I no longer pay my CNA premium via payroll deduction?

CNA made the administrative decision to eliminate the payroll deduction option as a payment method. The decision was solely a CNA decision and was made when CNA stopped accepting new business in group long term care plans in 2016. At the urging of Cornell, CNA agreed to delay the implementation for Cornell policy holders but has now decided that all policy holders have to move to direct billing at this time.

How do I find out how much I have paid in premiums so far?

Cornell participants should contact CNA directly at 866-234-9031 and ask for the total premiums paid to-date.

Will there be future premium increases?

CNA likely will continue to seek premium increases, as will other companies who offer long term care plans. Any premium increases, for policies issued in New York State (NYS) must be approved by NYS Department of Financial Services. For example, in New York State, CNA requested a 95.5% increase in premium in 2016, however the actual increase that NYS approved was 15%, and this was not applied to Cornell participants until 2018.

I feel like my premiums have increased annually. What is the history of premium increases since Cornell signed up with CNA in 2002?

The first premium increase, since Cornell began utilizing CNA in 2002, occurred, in 2018 for policies issued in the state of New York; up to that point, CNA had never increased its Group Long Term Care premium rates for Cornell policies. It is important to note that if you lived in another state when you purchased your policy, CNA premium increases began in 2016. Any other premium rate increases that may have occurred would be the result of a change in benefits elected by the policyholder. If you had elected to accept a previous inflation protection increase offer, both

your premiums and benefits would have increased. Such offers are made approximately every 3 years.

Do I have a group or individual long term care policy?

You have an individual certificate (written in your name) that was issued under a Group Long Term Care plan. As a group plan, Cornell initially negotiated the basic policy terms in 2002. The recent change to direct bill does not alter any of your policy benefits or provisions.

How can I get a copy of my certificate of coverage?

Cornell participants should contact CNA directly at 866-234-9031 to request a duplicate certificate. CNA will mail the certificate to the address that is on file with CNA.

Since it is a group policy, what does that mean? What protections does that offer me as compared to an individual policy?

Your policy is considered a group policy because Cornell initially negotiated in 2002 the basic policy terms, and although you made some individual elections (such as your daily benefit rate) those basic policy terms are the same for everyone in the Cornell group. Cornell no longer has any authority to negotiate basic policy terms as once a policy is issued, changes may only be made to the basic terms of the policy at the request of the policy holder.

There are a couple differences, as negotiated by Cornell, between your group policy and an individual policy. The first difference is that your group policy was either “guaranteed issue” (i.e., issued with no questions regarding your health status) or issued after a limited underwriting process. Another difference is that your group policy provides you inflation protection benefit increase offers, through which you can increase your benefit levels (for an additional premium).

The benefits and features of your policy will remain exactly the same, even though CNA will now be interacting with you directly instead of going through Cornell’s benefit team. You will still be offered inflation protection benefit increase offers; the only difference is that when CNA decides to make this offering (approximately every 3 years) you will now receive the offers on the anniversary of the date you began coverage, whereas previous offers were made to all Cornell insureds at the same time.

If I agree to optional add on benefits to my long term care policy with CNA, does this change the status of my group policy and/or impact my premiums going forward?

The only optional add on benefit CNA offers is contractual inflation protection which would both increase benefits and premiums if so chosen by the insured. Future rate increases could also impact premiums. Neither of the aforementioned events would change the status of the policy.

If I cancel my policy, do I have any ongoing benefit?

Yes, if you cancel your policy you will retain a benefit equal to at least the amount of premiums paid to date.

Specifically, all Cornell Group Long Term Care policies contain a non-forfeiture benefit. As long as you have paid premium for a minimum of three years, you would retain a reduced benefit upon canceling or allowing your policy to lapse for non-payment. The reduced lifetime maximum benefit would be the greater of total premiums paid or 30 times your daily benefit amount. You can contact CNA at 866-234-9031 if you have questions about the non-forfeiture benefit and/or other policy features.

How do I know if I have a non-forfeiture clause in my policy?

The non-forfeiture benefit is part of every Cornell Group Long Term Care policy. You can contact CNA at 866-234-9031 if you have questions about the non-forfeiture benefit and/or other policy features.

I feel like I am losing all of the money that I have paid in premiums over the years. Is that correct?

No, that is not correct. As stated above, the non-forfeiture benefit is a part of every Cornell Group Long Term Care policy. You can contact CNA at 866-234-9031 if you have questions about the non-forfeiture benefit and/or other policy features.

When I terminate employment from Cornell for any reason, including retirement, can I continue my policy?

Yes. The policy is in your name and you can continue the policy in full as long as you continue to pay the premiums. If at any point you decide to cancel the policy, then the non-forfeiture clause (described above) will apply.

If I pay my premium for a set period of time, (i.e. 20 years) will my policy ever become fully funded or paid-up?

No. The Cornell Group Long Term Care policy does not include a Paid-Up benefit feature. If you stop paying premiums, you will be moved into non-forfeiture status as described above

Does CNA offer any group long term care policies in NYS or elsewhere?

CNA does not offer any new Individual or Group Long Term Care policies in New York State or elsewhere.

Are there other long term care offerings that I can consider?

The long term care marketplace has proven to be volatile. As a result, companies have generally gotten out of offering group long term care policies. Individual long term care policies are still available in the marketplace. If you want to explore alternative policies, RetirementGuard, a brokerage firm contracting with Cornell, provides consultative advice about long-term care insurance to benefits-eligible employees and their family members. If you want to learn more about RetirementGuard and the companies they quote, please visit www.myltcexchange.com/cornell or call them directly at 1-888-793-6111.

Who do I contact if I have questions about my policy?

If you have questions about your policy, contact CNA directly at 866-234-9031.

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