



***Retirement and Insurance Service  
Benefits Administration Letter***

Number: 01-906

Date: December 18, 2001

**Subject: OPM Selects Metropolitan Life and John Hancock To Provide Long Term Care Insurance for the "Federal Family"**

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**What's up?**

Happy Holidays!! Here's the announcement we've all been waiting for. Two of the nation's premier insurance companies joined ranks to win the competition to provide coverage under the Federal Long Term Care Insurance Program – Metropolitan Life Insurance Company and John Hancock Life Insurance Company. Please read the entire text of today's press release on the Internet at [http://www.opm.gov/pressrel/2001/ltc\\_contractor.htm](http://www.opm.gov/pressrel/2001/ltc_contractor.htm).

Long Term Care (LTC) Partners, LLC, an unprecedented partnership formed by MetLife and John Hancock, will be devoted exclusively to our program. After LTC Partners conducts some final market research with members of the groups eligible to apply for this insurance, we will announce final rates and benefits.

**Will there be an early enrollment?**

Yes. We've scheduled an early-enrollment opportunity next year, probably around March 2002, because many individuals have already researched long term care insurance coverage and want the opportunity to purchase one of our policies as soon as possible. As we mentioned in BAL 01-905, such individuals don't need the benefits of the extensive educational and marketing campaign we have planned.

**When will early enrollments become effective?**

Like anyone else who applies for this coverage, applicants for early enrollments will have to answer questions about their health. Effective dates will likely vary.

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*Civil Service  
Retirement  
System*

*Federal Employees'  
Group Life  
Insurance Program*

*Federal Employees  
Health Benefits  
Program*

*Federal Employees  
Retirement  
System*

*Federal Long  
Term Care  
Insurance  
Program*

**Should all employees look into an early enrollment?**

No, we think that most of your employees won't fall into the early enrollment category. Few employees are knowledgeable about long term care insurance, so most of your employees will need education about long term care and long term care insurance. We want people to make informed decisions and long term care insurance is **not** a product that everyone should buy. So we are not encouraging early enrollment unless the applicants have already informed themselves about long term care insurance. Most employees should wait for the educational and informational materials that will begin this spring and extend throughout the open season that will be conducted in late summer/early fall of 2002.

**Will all of the benefit choices available during the late summer/early fall open season also be available during the early enrollment?**

Probably not. During the early enrollment period, individuals may have more limited choices of benefits than during the open season in late summer/early fall 2002. And, payroll deduction will **not** be available during the early enrollment period.

**Can early enrollers change their coverage later during the late summer/early fall open season?**

In most cases, yes. If additional options are available during the open season, they will also be available at that time to early enrollees who want to change their coverage during the open season. Premiums for early enrollees who change coverage during the open season will be based on their age when they acquired coverage during the early enrollment. Additional underwriting may be required for some changes (meaning there might be more questions about status of health).

**Where can I read more information about this program?**

We've updated our Frequently Asked Questions ([www.opm.gov/insure/ltc/faq/index.htm](http://www.opm.gov/insure/ltc/faq/index.htm)) and our Proposed Product Design ([www.opm.gov/insure/ltc/design/introduction.htm](http://www.opm.gov/insure/ltc/design/introduction.htm)) on our Federal Long Term Care Insurance Program web site. Take a look to become more familiar with this upcoming new program, even if you've read earlier versions before. Several things have changed, and we added more details on certain items such as underwriting.

**How will we receive more information as it becomes available?**

We'll continue to keep in touch with you frequently, through these Benefits Administration Letters, the automated email listserv called LTCInfo ([www.opm.gov/insure/ltc/listserv.htm](http://www.opm.gov/insure/ltc/listserv.htm)), and our long term care insurance human resources page ([www.opm.gov/insure/ltc/hr.htm](http://www.opm.gov/insure/ltc/hr.htm)).

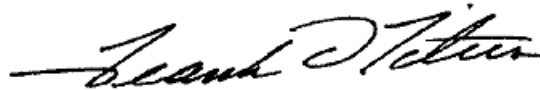
**Where should we direct our employees who have questions on this program?**

If any of your employees have questions about this program, please direct them to our website ([www.opm.gov/insure/ltc](http://www.opm.gov/insure/ltc)). We will announce the LTC Partners website and toll-free number soon. We'll also establish direct contacts with LTC Partners for human resources personnel to use. We appreciate your patience as we put everything in place.

**Do you have a sample notice we can send our employees?**

Yes. Although as previously mentioned, we aren't encouraging early enrollment, we want employees to know it is available in case it's of interest to them. A sample notice for your employees is attached to this BAL. Feel free to distribute the notice however you see fit.

I hope you'll join us in welcoming MetLife and John Hancock as Long Term Care Partners to our program. They, as we, look forward to working closely with you throughout the New Year.

A handwritten signature in black ink, appearing to read "Frank D. Titus". The signature is written in a cursive, flowing style with a long horizontal stroke at the beginning.

Frank D. Titus  
Assistant Director for Long Term Care

Attachment – Sample Notice for Employees

## **Sample Notice for Employees**

### **What New Benefit Can I Apply for in 2002?**

The Federal Long Term Care Insurance Program will be available in 2002. It's a program to provide insurance to help you pay for chronic, long term care (such as help getting out of bed or help eating or dressing) that you may develop due to an illness, accident, or the normal aging process. You may be healthy now, but who knows what will happen next year, in five years or even in 20 years or beyond. About half of us will need long term care at some point in our lives. And you can't count on Medicare and FEHB to provide it.

### **Who is Sponsoring This New Program?**

The U.S. Office of Personnel Management sponsors the program, established by Public Law 106-265, the Long-Term Care Security Act.

### **What Companies Are Providing the Insurance?**

OPM just announced that two of the nation's premier insurance companies joined ranks and won the competition to provide coverage under this Program – Metropolitan Life Insurance Company and John Hancock Life Insurance Company. They formed a partnership named Long Term Care Partners.

### **Will I be Guaranteed Coverage?**

All employees who apply for the insurance will not be eligible for the standard insurance. However, all employees who apply will be offered something, perhaps non-standard insurance (different benefits and/or higher premiums) or a non-insurance product. It is not like the FEHB program where everyone eligible who applies for a given policy gets the same coverage and pays the same premium.

### **Do I Need to Do Anything Now?**

No, you don't. OPM and Long Term Care Partners will be providing an extensive educational and marketing program to introduce you to this new program and help you make informed decisions about whether to purchase a policy and what type of coverage you may need. You don't need to worry if you currently know little or nothing about long term care insurance or the Federal Long Term Care Insurance Program. There will be satellite broadcasts, videotapes, meetings in agency cafeterias and auditoriums across the country, informative booklets and brochures, interactive websites, etc. All that will take place in 2002, with an open season to apply for the program in the late summer/early fall of 2002.

### **I Already Know About This Insurance. Can I Apply Now?**

Individuals who don't need the educational program can apply for the insurance during an early enrollment opportunity, probably in March 2002. OPM will announce details about the early enrollment soon.

### **I Have a Lot More Questions About this New Program. Who Can Answer Them?**

You can visit the Office of Personnel Management website at [www.opm.gov/insure/ltc](http://www.opm.gov/insure/ltc). It contains extensive frequently asked questions and the proposed product design (benefits). Premiums aren't available yet.