

VIP2 Producer Resource Guide



MetLife[®]



MULTI-LIFE DISCOUNT PROGRAM



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TABLE OF CONTENTS

PREFACE	1
Why Long-Term Care Insurance?	1
Why MetLife?	2

1

PROGRAM DETAILS	3
Program Type Options	6
Program Overview Chart	8
Simplified Underwriting vs. Modified Underwriting	8
Details of <i>Decline Offer</i>	9
Available Discounts	9
Flex-Payment Riders	10
ERISA Implications	10
LTCI Tax Benefit Summary Chart	12
Application Requirements	13
Licensing Requirements	13
Billing Information and Options	14

2

EMPLOYER PROSPECTING	15
Identifying Prospective Companies	16
Employer Case Characteristics	17
Employer Marketing	18
Steps to a Successful Employer Sale	19
Success Stories	20

3

PROGRAM TOOLS	23
MetLife Mature Market Institute®	24
Group Approval Process	25
Employer Questionnaire (with Answer Guide)	26
Proposals	28
MetWINS Illustration Reports	28
Executive Carve-Out Quick Reference Tool	29
Marketing Communication Strategy	30
Pre-Implementation Timeline	31
Implementation Timeline	32

4

MARKETING AND COMMUNICATION SUPPORT	33
Pre-Awareness Campaign	34
Program Announcements with Enrollment Dates	34
Meeting Announcements, Invitations & Reminders	35
Meeting Presentations	35
Meeting Hand-Outs & Tools	35
Web Access	36
Value-Added Communications	36
Enrollment Period Reminders	36
New Hire Communication	37
Welcome to MetLife	37

FREQUENTLY ASKED QUESTIONS	38
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PREFACE

Why Long-Term Care Insurance (LTCI)?

In the 1980's, American businesses adapted their human resources policies to accommodate the needs of workers with young children. Now, many of those same workers face a new responsibility; providing care for an older parent, relative or friend. *Centers for Medicare & Medicaid Services (CMS), "When Employees Become Caregivers - A Manager's Workbook," December 2002.*

Not surprisingly, more and more employees are becoming acutely aware of what long-term care costs can do to a lifetime of savings and to the stability of their families, and are looking for a way to help protect their own futures.

For many employers, from start-up organizations to Fortune 500 companies, long-term care insurance can be the cornerstone of a solid benefits package. In addition to helping an employer attract and retain qualified employees, LTCI helps employees refocus their energies on their work with a correspondingly positive influence on the employer's bottom line.

Productivity

American businesses lose between \$17.1 billion and \$33.6 billion a year in productivity costs due to workplace disruptions, scheduled and unscheduled absences, leaves of absence, reduction from full to part-time work status, early retirement, or employees leaving work early due in part to the responsibilities of caregiving.⁽¹⁾

Cost-Containment

Additionally, the "*MetLife Juggling Act*," a cooperative study by the MetLife Mature Market Institute®, the National Alliance for Caregiving and the National Center on Women and Aging at Brandeis University, concluded in 1999 that there is a cause and effect relationship between caregiver stress and increased health insurance utilization. The connection: Employees who provide long-term care services for family members incur increased emotional and physical stress, resulting in health conditions that require doctors visits and increased health claims.

Recruitment and Retention

One of the best ways to recruit and retain employees is through a competitive compensation and benefits package. A long-term care insurance program gives employers a competitive advantage that can help attract and retain the best talent.

(1) MetLife Mature Market Institute®, "*MetLife Caregiving Cost Study: Productivity Losses to U.S. Business*," July 2006.

WHY METLIFE?

A Powerful LTCI Multi-Life Discount Program

MetLife, a leading carrier in the employer-sponsored group LTCI market, opens the door to hundreds of new prospects with its Multi-Life Discount Program designed for small to medium-sized businesses.

MetLife's LTCI Multi-Life Discount Program makes it possible for qualifying businesses to offer an attractive benefit at discounted rates and enjoy tax-deductible premiums for employer-paid participants.

The Multi-Life Discount Program offers premium discounts to eligible employees, retirees and their eligible family members. Eligible family sub-classes may include:

- Spouses (includes domestic partners and civil union partners, where permitted by law),
- Adult children (18 years and older),
- Parents, step-parents and in-laws, and
- Grandparents, step-grandparents and in-laws.

Given that long-term care concerns often center around spouses and family members rather than the actual employee, this unique premium discount feature is a particularly effective selling point. See **Available Discounts** on page 9 for more information on program discounts.

A Leading Company

Since 1868 people have counted on MetLife to meet their personal and business needs. MetLife customers benefit from our long-standing experience in the long-term care insurance industry, our expertise in providing excellent service, our communication and education capabilities, and our financial strength.

MetLife is consistently given high ratings by the leading insurance industry experts, including an A+ (Superior) rating from A.M. Best for financial strength and an AA (Very Strong) rating from Fitch for claims paying ability.⁽¹⁾

Affiliations

- AARP — MetLife is the only endorsed provider making long-term care insurance available to AARP members.
- Federal Program — In conjunction with another carrier, MetLife is a selected provider for the Federal Long Term Care Insurance program. This program is offered to Federal employees and annuitants (including members of the U.S. Postal Service), active and retired members of the uniformed services, spouses, and other qualified relatives. It is the largest employer-sponsored long-term care insurance program in the nation.

Commitment to Superior Customer Service

As representatives of MetLife, you can depend on us for all your sales and marketing needs. We are committed to helping you achieve success. MetLife's dedicated team of Multi-Life Account Specialists can guide producers through the Multi-Life Discount Program, as well as:

- Help producers develop individual sales strategies for difficult cases,
- Give producers advice on MetLife LTCI products,
- Supply information on products offered by competing carriers, and
- Provide information on materials that are available to help increase participation.

(1) Ratings, as of June 2006.



PROGRAM DETAILS

3



Program Type Options

■ VOLUNTARY BENEFIT

Employers may choose to offer the Multi-Life Discount Program as a voluntary program. Under a voluntary program, employees are responsible for paying their own premiums, which will be discounted through the Multi-Life Discount Program.

■ EMPLOYER-PAID BENEFIT

Employers may also offer the Multi-Life Discount Program as part of an employer-paid benefits program. In this case, as a general rule, premium costs paid toward employees', their spouses' and/or dependents' tax-qualified long-term care insurance policies may be classified as a business expense or a self-employed deduction for tax purposes. Please refer to MetLife's *LTCI Guide to Current Federal Taxation* for more details or contact your Multi-Life Account Specialist.

Employers may also choose to pay only for a select group of employees' premiums. This is referred to as an employer-paid Executive Carve-Out. For example, the full-time management staff may receive long-term care insurance as an employer-paid benefit, while all other employees have the option of applying for coverage as a voluntary benefit. Employees applying for LTCI as a voluntary benefit would be responsible for paying their own premium once they are approved for coverage.

Whether the Multi-Life Discount Program is implemented as an employer-paid benefit or as a voluntary benefit, each individual within the group will be applying for their own coverage, and once insured, will be issued their own LTCI policy.

Any sub-classification of eligibles does not necessarily coincide with tax deductible classes of coverage. Employers' tax deductions will generally be limited to employees and their dependents. Employers should consult with their own independent tax and legal counsel concerning their own individual tax considerations.

EMPLOYER-PAID

ELIGIBILITY*

- Ages 18 to 84
- W-2 Employees (Required for Simplified U/W)
- Minimum 30-hour work week (Required for Simplified U/W)
- Retirees

SUB-CLASS ELIGIBILITY**

- Available to spouses, which includes, where permitted by law, domestic partners and civil union partners, adult children (18 years and older), parents, parents-in-law, step-parents, grandparents, step-grandparents and grandparents-in-law of eligible employees and retirees.

SIMPLIFIED UNDERWRITING:

- 10% Multi-Life Discount applied
- Employees and employer-paid spouses eligible
- At least 3 employee employer-paid insured lives must be received by MetLife within 90 days of case approval to meet participation requirements
- Benefits limited to \$300 DBA*** and 5-year Benefit Period
- Preferred Health Discount not available for any participants
- *Decline Offer* is not available for the 3 to 9 life segment
- Employer-paid spouses are not eligible to apply for Simplified Underwriting in the 3 to 9 life segment

MODIFIED UNDERWRITING:

- 5% Multi-Life Discount applied
- At least 3 insured lives (all eligibles) must be received by MetLife within 12 months of case approval
- All benefits available
- Preferred Health Discount available to qualified participants

VOLUNTARY-PAID

ELIGIBILITY*

- Ages 18 to 84
- W-2 Employees (Required for Simplified U/W)
- Minimum 30-hour work week (Required for Simplified U/W)
- Retirees

SUB-CLASS ELIGIBILITY**

- Available to spouses, which includes, where permitted by law, domestic partners and civil union partners, adult children (18 years and older), parents, parents-in-law, step-parents, grandparents, step-grandparents and grandparents-in-law of eligible employees and retirees

SIMPLIFIED UNDERWRITING:

- 5% Multi-Life Discount applied
- At least 10 insured lives (all eligibles) must be received by MetLife within 90 days of case approval to meet participation requirements
- Benefits limited to \$300*** DBA and 5-year Benefit Period
- Preferred Health Discount not available for any participants
- *Decline Offer* is available

MODIFIED UNDERWRITING:

- 5% Multi-Life Discount applied
- At least 3 insured lives (all eligibles) must be received by MetLife within 12 months of case approval
- All benefits available
- Preferred Health Discount available to qualified participants

* Program eligibility may include board of directors. Board of directors generally are not considered employees for tax purposes.

** Eligible sub-classes may vary by state.

*** Depending upon state availability.

METLIFE MULTI-LIFE PROGRAM OVERVIEW CHART ⁽¹⁾

PROGRAM TYPE & DISCOUNT PERCENTAGE	MINIMUM PARTICIPATION REQUIREMENT	ELIGIBLE CLASS	UNDERWRITING CONSIDERATIONS			
			Preferred Health Rating Available?	Nurse Telephone Interview (For Age 66 and over or Underwriter's Discretion)	APS (Medical Reports) (For Age 66 and over or Underwriter's Discretion)	Nurse Face-to-Face Interview (For Age 75 and over or Underwriter's Discretion)
EMPLOYER-PAID	Simplified Program ⁽²⁾ 10% Multi-Life Discount	3 Employee employer-paid insured lives within 90 days of group approval ⁽³⁾	No	No	No	No
		10 Employer-paid insured lives within 90 days of group approval				
	Modified Program 5% Multi-Life Discount	3 Employee employer-paid insured lives within 12 months of group approval ⁽³⁾	Yes	Yes	Yes	Yes
		10 Insured lives within 12 months of group approval				
VOLUNTARY (EMPLOYEE PAID)	Simplified Program ⁽²⁾ 5% Multi-Life Discount	10 Insured lives within 90 days of group approval	No	No	No	No
		3 Insured lives within 12 months of group approval ⁽³⁾				
	Modified Program 5% Multi-Life Discount	3 Insured lives within 12 months of group approval ⁽³⁾	Yes	Yes	Yes	Yes
		10 Insured lives within 12 months of group approval				

(1) Program eligibility may include employees, board of directors, retirees, spouses (which include where permitted by law, domestic partners and civil union partners), adult children (18+ yrs.), parents, parents-in-law, step-parents, step-parents-in-law, grandparents, step-grandparents and grandparents-in-law of eligible employees, retirees and board of directors.
 (2) *Decline Offer* may be available for declines. Specifications: Facilities-Only policy, \$50 DBA, 2-year benefit period, 100-day Elimination Period, no benefit increase option available. Sub-standard rates apply. An alternative plan may be offered in AZ, CA, FL, GA, MA, NY, OR, RI, VT & WI.
 (3) Commissions will be reduced for Multi-Life groups in the 3 to 9 life segment. *Decline Offer* is not available in this segment.
 (4) A minimum of 30 hours a week at their usual place of employment.
 (5) Depending upon state availability.

Simplified Underwriting vs. Modified Underwriting

Whether your program utilizes Simplified Underwriting or Modified Underwriting, there are advantages and disadvantages to both. Generally speaking, Simplified Underwriting can be a great selling point during the enrollment period when eligible employees have the opportunity to apply for coverage with fewer health questions. Simplified Underwriting cases require the applicant to answer only five insurability questions with no additional underwriting.

With Modified Underwriting, even though there are more health questions than with Simplified Underwriting, the requirements are still less restrictive than if the coverage had been purchased on an individual basis (i.e. not through a Multi-Life program). Selecting Modified Underwriting allows the applicant to choose from more benefit options, and possibly receive a Preferred Health Discount, which may equate to an overall lower premium. See **Available Discounts** on the next page, for more information.

With a Simplified Underwriting case, Simplified Underwriting is available for the first 90 days from group approval date. Any enrollments that occur after the initial 90 day enrollment require Modified Underwriting, unless the eligible employee is a new hire.

SIMPLIFIED UNDERWRITING: SOME PROS & CONS

PROS	CONS
<ul style="list-style-type: none"> ■ 5 Insurability questions ■ Ease of business ■ Availability of <i>Decline Offer</i>* ■ Spouse can complete if premium is employer-paid* 	<ul style="list-style-type: none"> ■ Standard rates for everyone – Preferred rates are not available to anyone in group ■ Benefits limits (\$300** DBA, 5 year Benefit Period) ■ Limited to 90 day enrollment period

*Does not apply within the 3 to 9 life segment.

**Depending upon state availability.

MODIFIED UNDERWRITING: SOME PROS & CONS

PROS	CONS
<ul style="list-style-type: none"> ■ Fewer medical questions than standard non-Multi-Life policy underwriting ■ Preferred Health Discount (10%) is available 	<ul style="list-style-type: none"> ■ Additional underwriting may be considered (telephone and face-to-face interviews) for those under age 66 ■ Longer underwriting process ■ Potential for more declines ■ <i>Decline Offer</i> is not available

Details of *Decline Offer*

With Simplified Underwriting, if an employee answers “no” to all five insurability questions, the policy will automatically be issued with standard rates. If an employee who is eligible for Simplified Underwriting answers “yes” to any of the five insurability questions in the Simplified Underwriting section of the Multi-Life application, a *Decline Offer* may be extended.

Specifications of *Decline Offer*:

- Facilities-Only policy
- \$50 Daily Benefit Amount
- 2-year Benefit Period
- 100-day Elimination Period
- No Benefit Increase Option available
- Sub-standard rates apply
- No compensation to producer
- Available to employees only, not to spouses or other eligible participants
- Not available for groups in the 3 to 9 life segment
- 10 insured lives for every one *Decline Offer* made*
- An alternative plan may be offered in AZ, CA, FL, GA, MA, NY, OR, RI, VT & WI

* 20 insured lives are required in the state of New York for every one *Decline Offer* made.

Available Discounts

Discounts are additive and portable should the employee leave their company. To qualify for the Multi-Life Program Discount a group must be qualified and generate the minimum participation requirement within the enrollment period. If the minimum participation requirement is not met, the discount will continue for current insureds, but will not be available to new applicants/insureds. Please note, discounts do not affect producer commissions.

- **30% Spousal Discount:** When two spouses (which includes, where permitted by law, civil union partners and domestic partners) apply and both are accepted for coverage, each will receive the Spousal Discount as long as both policies remain in-force. If only one spouse is accepted for coverage, the 15% Marital Discount will apply.
- **15% Marital Discount:** For married applicants, if the spouse does not enroll or is declined for coverage. May not be combined with Spousal or Residential Discounts.
- **15% Residential Discount:** For two or more applicants who reside in the same household and meet eligibility requirements. May not be combined with Spousal or Marital Discounts.
- **10% Preferred Health Discount:** Applicants who meet specific medical underwriting criteria will receive a preferred rating. This discount is not available to applicants of a Simplified Underwriting Multi-Life group.
- **Multi-Life Program Discounts:** The Multi-Life Program Discount percentage offered to a group will apply to all participants in that group.
 - Employer-Paid: 5% or 10%
 - Voluntary Paid: 5%

Some discounts may not be available in certain states. Discount variations may apply. Please contact the appropriate sales desk or resource line applicable to your distribution channel for more information. (**New Jersey:** Spousal/Marital Discount is 20% and applies to all married couples; Residential Discount is not available. **New York:** Spousal Discount is 25%; Marital Discount is 10%; Residential Discount is not available; All discounts available may not exceed 35%. **Montana:** Spousal & Marital Discounts are not available; Residential Discount is 30%.)

Flex-Payment Riders*

There are four Flex-Payment Riders that are commonly used within Multi-Life Discount Programs. These Flex-Payment Riders affect the pay-out structure of commissions. Riders may have state variations and/or may not be available in some states. Please contact your Multi-Life Account Specialist for further details on the following four Flex-Payment Riders:

- **Ten-Year Premium Payment Rider:** Lets clients pay-up their policy in ten years. Once the client has paid their premium for ten years, the policy will become completely paid-up with no further premium required and plan benefits will be accessible should they need care in the future.
- **Paid-Up Premium Rider:** Lets client pay-up their policy at age 65. With this rider, the client's policy is considered fully paid-up on their policy anniversary date following their 65th birthday, or after ten years of payment, whichever comes later.
- **Reduced-Pay at Age 65 Rider:** Lets clients cut their premium in half at age 65. With this rider, once a client turns 65, they pay half the premium amount they paid for the policy before turning age 65. The reduced payments begin on the policy anniversary date on or after their 65th birthday.
- **Double-Pay First Year Rider:** Pay more initially, save later. With this option, a client pays twice their regular premium amount for the first policy year in return for an 8% or 10% premium discount (depending on age) off the regular premium amount for each year after the first.

* The tax law is unclear as to the current deductibility of accelerated premium payments made by an employer for LTCI. Customers should seek counsel from their own independent tax advisors.

ERISA Implications

The Employee Retirement Income Security Act (ERISA) was established by the Federal government in 1974 and sets minimum standards for most voluntarily established pension and health plans in private industries to provide protection for individuals in these plans. ERISA (a) requires plans to provide participants with plan information including important information about plan features and funding; (b) provides fiduciary responsibilities for those who manage and control plan assets; (c) requires plans to establish a grievance and appeals process for participants to get benefits from their plans; and (d) gives participants the right to sue for benefits and breaches of fiduciary duty.

Please be aware that employers need to specify whether the long-term care insurance program they make available to their employees is to be considered an ERISA or non-ERISA plan. If it is an ERISA plan, the plan sponsor's name, tax identification number, ERISA plan number, reporting period month, day and policy year will all need to be included on the MetLife Multi-Life Discount Program *Offer Letter*.

WHO NEEDS TO COMPLY WITH ERISA?

Generally, any plan designed to provide medical, or health care benefits for employees that is established or maintained by an employer (through the purchase of insurance or otherwise) may be subject to ERISA.

ERISA regulations provide a safe harbor under which a program is not considered an ERISA plan if all the requirements below are met:

- It is a voluntary program, and
- Employees are paying all of the premiums, and
- There is no employer endorsement of the program, and the sole function of the employer is to facilitate payroll deduction, and
- The employer receives no compensation in the form of money or otherwise, other than reasonable compensation for services rendered.

AN ERISA PLAN IS EXEMPT FROM ALL ANNUAL REPORTING REQUIREMENTS WHEN:

It is an ERISA plan maintained by the employer for the purpose of providing benefits for a select group of management or highly compensated employees and its benefits are either: (a) paid as needed solely from the general assets of the employer; or (b) provided exclusively through insurance contracts that are paid for directly by the employer from its own assets. Note, this exception does not apply if there are employee contributions to the plan.

AN ERISA PLAN IS EXEMPT FROM MOST ANNUAL REPORTING REQUIREMENTS WHEN:

- It includes less than 100 lives at the beginning of the plan year for which benefits are provided through insurance policies paid for: (a) by the employer; (b) from the employer's general assets; or (c) a combination of both.
- It complies with all of the following ERISA requirements:
 - Issues Summary Plan Description (SPD) to plan participants, and
 - Uses ERISA Complaint Claims Procedures, and
 - Satisfies ERISA's Fiduciary Requirements, and
 - Keeps plan documentation on file for review by the U.S. Department of Labor.

Neither MetLife nor its representatives or agents may give ERISA advice. The client must consult with and rely on their own independent ERISA advisor for the applicability of ERISA to their own facts and circumstances.

Please visit the Department of Labor's website

<<http://www.dol.gov/dol/topic/health-plans/erisa.htm>> for more detailed information.

LTCI Tax Benefit Summary Chart

Under certain Internal Revenue Codes, such as 7702B, tax qualified LTCI policies may receive favorable tax treatment under existing federal laws. For example, benefits received from an employer-paid tax qualified LTCI policy are not generally taxable to the employee, and employer-paid LTCI premium for employees may be tax deductible to the employer.

Below is an *LTCI Tax Benefit Summary Chart* to help you better understand the tax implications from the point of view of business owners and employees within the four main business set-ups, which are C-Corporation, S-Corporation, Partnership and Sole Proprietor. **These tax implications do not apply in all situations. Please refer to the *MetLife Long-Term Care Insurance Guide to Current Federal Taxation* for more detailed information. Remember to always refer your client to their own independent tax and/or legal advisor for the proper tax treatment under their particular facts and circumstances.**

	C-Corporations	S-Corporations Applies to share- holders owning 2% or more (also includes Professional Corpo- rations and Personal Service Corporations)	Partnerships Includes Family Limited Partnerships and Limited Liability Companies	Sole Proprietors
Business Tax Deduction	100% of total premiums paid	100% of total premiums paid	100% of total premiums paid	100% of total premiums paid for employees, employee's spouses & dependents
Personal Tax Deduction to Owner(s)	None	2% or more own- ers can deduct 100% of "eligible" premiums paid for themselves, their spouses & their dependents	Partners can deduct 100% of "eligible" premiums paid for themselves, their spouses & their dependents	The owner can deduct 100% of "eligible" premi- ums paid for them- selves, their spous- es and their dependents
Income Tax To Employee	Generally none	Generally none	Generally none	Generally none
Income Tax To Owners	Generally none	Amount of premiums paid on their behalf	Amount of premiums paid on their behalf	Generally none

Application Requirements

It is imperative that the correct section of the Multi-Life application be completed to ensure timely and accurate processing. Only Multi-Life applications are to be completed in Multi-Life cases.

Once a group is approved and a Multi-Life Group Identifier Number is issued, you may begin taking applications. All applications must be filled out completely and include the Multi-Life Group Identifier Number assigned by MetLife. MetLife will add an insured to the Multi-Life Discount Program as soon as he/she is approved for coverage, so each insured may have a different policy effective date, unless a Common Effective Date was established for the group during program set-up. Please see page 14, **Common Effective Date**, for more information.

Remember: For Simplified programs, the minimum number of insured lives must be submitted within 90 days of the group approval date; For Modified programs, the minimum number of insured lives must be submitted within 12 months of the group approval date. Please see page 25, **Group Approval Process**, for more information.

Licensing Requirements

Applications taken for Multi-Life groups are based on the applicant's state of residence. Use the state-specific Multi-Life application for the applicant's state of residence.

The producer must always be licensed in the state where the application is signed, and in any state in which the producer solicited the applicant. In addition, if the resident state does not match the state where the application is signed, the producer may need to be licensed in the resident state as well. Some states are considered "risk states," which require the producer to be licensed in both the resident and signing states. Risk states can change, so please contact the appropriate sales desk or resource line applicable to your distribution channel to speak with a licensing representative to obtain the most up-to-date risk states.

Additionally, you may partner with other producers to have them meet with applicants in states in which you are not located or not licensed in. Producers who opt to do so may have the ability to split commissions. The producer that responds to the questions (and signs) in the application's *Agent's Report*, will be the "producer of record" for that applicant. All producers must be licensed and appointed in the state where the application is signed and where the applicant is solicited. When there is more than one producer working on a group, it is imperative that the group is set up properly to reflect the listing of producers taking applications. Please provide your Multi-Life Account Specialist with a listing of all producers taking applications for the group during program set-up.

Producers taking applications for partnership programs, must comply with the applicable certification or CE obligations required by state laws and/or partnership programs prior to soliciting a partnership application.

Billing Information & Options

- Direct billing is available to all participants on a **Monthly** (Automatic Checking Account Deduction), **Quarterly**, **Semi-Annual** or **Annual** basis. Bills are mailed directly to the insured unless it is a **Monthly** direct bill, which is only available as an Automatic Checking Deduction.
- Third-party payor billing is available on a direct bill basis. Bills are mailed to a third-party payor selected on the application on a **Quarterly**, **Semi-Annual** or **Annual** basis.
- Payroll deduction/list-bill is available for employees and their spouses in qualified Multi-Life cases. A **Monthly** bill is mailed to the employer or payroll vendor selected by the employer, and a copy is sent to the Producer. **Annual** list bill is available for employer-paid cases. Certain restrictions apply. Contact your Multi-Life Account Specialist for more information.
- Electronic payroll deduction is also available for groups with 1000+ eligible employees.

Note: Family members, other than spouses (which includes domestic partners and civil union partners, where permitted by law) can only be billed on a direct bill basis.

COLLECTING PREMIUM

When submitting a Multi-Life application that will be part of a payroll deduction/list-bill, producers must not collect any premium at the time of application. Therefore, conditional coverage is not available. However, if it is a direct bill, a premium amount can be collected and therefore, conditional coverage would apply as of the date the application is signed by the applicant.

COMMON EFFECTIVE DATE (PAYROLL DEDUCTION/LIST-BILL)

To ensure as many applicants as possible will be underwritten, approved and included on the first monthly list-bill, and thus have the same effective date, the producer must request a *Common Effective Date* from their Multi-Life Account Specialist during program set-up. To determine a realistic *Common Effective Date*, the producer will need to define the enrollment begin and end dates and provide the information to their Multi-Life Account Specialist during program set-up.



EMPLOYER PROSPECTING

15

Identifying Prospective Companies

For a successful enrollment, look for companies that exhibit the following characteristics:

- Small to mid-size workforce (typically 25 to 3,000)
- High concentration of well-educated and highly compensated individuals
- Track record of successful voluntary employee benefits offerings
- Stable workforce or industry
- Employees with long-tenure and/or affinity to employer (e.g. family-owned businesses can be particularly receptive)
- Large number of employees at each location

Employers should be willing to devote time to ensure the success of the program. The employer should be willing to not only support the program, but also be willing to be involved in the implementation. For instance, the employer should:

- Grant access to employees (e.g. seminars and one-on-one meetings)
- Support enrollment strategies
- Assist with distribution of materials
- Designate an employer point-of-contact, such as a Human Resource Manager
- Facilitate payroll deduction (if applicable)

The following items are also key to successful participation:

- Simple plan design
- Strong communications program
- Sufficient lead time for implementation (depending on the size of the group, 60 to 90 days)

TYPES OF BUSINESSES THAT GENERALLY QUALIFY

- Law firms
- Accounting, CPA firms
- Engineering firms
- Physician groups
- Financial advisory firms
- Local banks and financial institutions
- Healthcare professionals
- Education professionals
- Insurance professionals
- Centrally located small businesses with many of the case characteristics found on page 17

TYPES OF BUSINESSES THAT GENERALLY DO NOT QUALIFY

- Building and special trade contractors
- Casino employees
- Foodservice workers
- Seasonal employees
- Sports teams
- Trucking industry employees
- Employees represented by unions
- Warehouse workers
- Charitable organizations
- Professional Employer Organizations or Employee Leasing Companies
- Those working in the industries of agriculture, livestock, forestry, fishing, mining, and metallurgy

Please note that MetLife may consider the management and/or executives within both of the categories listed above.

Multi-Life Discount Program Employer Case Characteristics

DESIRABLE CASE

1. Existing need for LTCI:
 - Little or no existing LTCI program
 - Employer interest
 - Mid to high salaries
 - Mid to high average age
 - Stable core benefit plan
 - 40% of population is over 40 years old with a minimum annual salary of \$50,000
2. Paternal/Maternal employer
3. Employer commitment:
 - Understands what is needed for successful program
 - Provides access to employees
 - Is interested in developing enrollment strategies with producer
 - Helps distribute materials
 - Supports strong internal communication strategy and timeline
 - Supports mandatory meetings
 - Facilitates payroll deduction (if applicable)
4. Adequate enrollment timeline
5. Cooperative employer contact
6. Stand-alone offering
7. Stable workforce or industry
8. Preferably less than 5 worksite locations with high employee concentration at each site
9. Simple plan design

LESS DESIRABLE CASE

1. Unclear “need” for LTCI, due to:
 - LTCI program already exists
 - Low employee interest level
 - Low salaries
 - Young to mid-age
 - Minimal discretionary dollars
2. Little employer interest in well-being of employees
3. Employer does not support the enrollment:
 - Won’t help organize meetings or distribute materials
 - Little or no access to employees
 - Only home mailings allowed
4. Unrealistic enrollment timeline
5. No employer contact for enrollment
6. Too many products competing for the employee dollar simultaneously
7. Industry in upheaval—current or anticipated layoffs or mergers, and/or increasingly competitive landscape
8. Multiple locations with small number of employees per location
9. Complex plan design with many employee choices

While MetLife prefers to approve **Desirable Cases** as outlined above, depending upon the circumstances, MetLife may also consider cases that are typically deemed less desirable.

Employer Marketing

Our experience shows that producers are more likely to gain a company's support for a Multi-Life Discount Program if they have an existing business relationship with the employer before qualifying it as a Multi-Life group. Visiting some of your clients to discuss the importance of adding long-term care insurance to their benefits package may be a great way to enter this market.

SUGGESTIONS ON APPROACHING COMPANIES:

- Begin with the president of a small company or closely held organization
- Present the idea of an executive carve-out employer-paid program
- Discuss the potential tax benefits for the business
- Present the top reasons for offering MetLife Long-Term Care Insurance:
Productivity, Cost-Containment, Recruitment and Retention

METLIFE HAS CREATED AN ABUNDANCE OF MATERIALS TO HELP PRODUCERS PROSPECT EMPLOYERS:

- Direct Mail Postcards
- Letters
- Flash Presentations
- Powerpoint Presentations
- MetLife Mature Market Institute® Studies and Presentations
- Brochures
- Tax Summaries
- Article Reprints
- Proposals
- MetWINS Illustration Reports

For more information, or to discuss how you should approach a prospective client, please contact the sales desk or resource line applicable to your distribution channel, or contact your Multi-Life Account Specialist.

Steps to a Successful Employer Sale

Understanding the environment in which your prospective client does business will allow you to better understand their need for an LTCI Multi-Life Discount Program, as well as how best to sell it to them. Using this checklist below as a guide will help you to understand the best way to approach your prospective client.

✓	Make sure you understand the Multi-Life Discount Program and feel comfortable explaining it to your client (both, as high level overview and as a detailed presentation)
✓	<p>Identify your prospect:</p> <ul style="list-style-type: none"> ■ Is it an in-force client that you've already sold another MetLife product to? ■ Do they own an LTCI policy themselves? ■ Will the goal of your presentation be to sell the need for LTCI or rather to focus on the potential tax benefits for your prospective client's company? ■ What type of a company is it? C-Corporation, S-Corporation, Partnership, Sole Proprietor, and what are the tax implications therein?*
✓	<p>Identify your prospect's case characteristics:</p> <ul style="list-style-type: none"> ■ Do they match the Desirable Case Characteristics on page 17? ■ Is your prospective client part of a turbulent industry? ■ Is there any history in your prospect's business that you should know prior to meeting with them, such as lay-offs or pay-cuts?
✓	<p>Understand the company culture:</p> <ul style="list-style-type: none"> ■ Is the culture technologically savvy? ■ Are there multiple locations? ■ What are the demographics of the employees – age, salary, education?
✓	<p>Educate your prospective client on the advantages of the MetLife Multi-Life Discount Program:</p> <ul style="list-style-type: none"> ■ MetLife's impressive 138 year track record with consistently high ratings by leading industry experts ■ Tax qualified LTCI policies ■ Attract, recruit, retain and reward the best talent ■ Cost containment ■ Productivity
✓	<p>Demonstrate the advantage of implementing a MetLife program:</p> <ul style="list-style-type: none"> ■ Little to no cost to the business ■ Comprehensive turn-key communications strategy ■ Brand that people know and trust ■ Easy to implement

* Neither MetLife nor its representatives may offer legal or tax advice. Customers should be referred to their own independent legal and tax advisors for such advice.

Success Stories

Various factors, such as employer support, simple plan design, and effective marketing strategies contribute to successful group implementations. The details of three successful Multi-Life Discount Programs from various industries are outlined below.

While MetLife agents and representatives may provide the customer with information concerning potential tax advantages, they may not provide legal or tax advice. Customers should be referred to their own independent legal and tax advisors.

CONSTRUCTION COMPANY CLIENT SUCCESS STORY

Though this industry is one that generally does not qualify for a Multi-Life Discount Program, the producer recognized that the management tier of executives had strong potential for a successful Executive Carve-Out program.

EXECUTIVE CARVE-OUT GROUP:

- Total number of eligibles: 19 executives plus 17 spouses
- Total number of policies placed: 36
- Participation Rate: 100%
- Placed premium: \$141,500
- Program Type: Employer-paid with Simplified Underwriting
- Simple plan design: Ideal policy, \$200 Daily Benefit Amount, 5-year Benefit Period and 5% Compound Inflation Protection.

HOW LEAD WAS GENERATED:

Producer had an existing relationship with an executive at the company. After explaining the MetLife Executive Carve-Out program and its potential tax benefits for employers, the executive presented a high level overview to his employer. This earned the producer an appointment to explain the program in detail and subsequently won the business!

COMMUNICATION/MARKETING STRATEGY:

- Human Resource department sent e-mails to employees to announce program with meeting dates and times
- Producer held onsite meetings during lunch hours and invited executives' spouses
- Producer held more detailed meetings with employees on a one-on-one basis
- Producer followed-up with employees that had brought applications home to discuss with family
- Producer filled out application with employee and spouse whenever possible
- Human Resource department agreed to receive and hold applications for producer

MAIN CONTRIBUTOR TO SUCCESS:

Support from client. Paternalistic employer wanted to reward and retain his best employees with rich benefits. Human Resource department was very supportive of the implementation, communication and marketing strategy.

MEDICAL FIRM CLIENT SUCCESS STORY

EXECUTIVE CARVE-OUT GROUP:

- Total number of eligible employees: 20 executives plus 15 spouses
- Total number of policies placed: 24
- Participation Rate: 69%
- Placed premium: \$54,170
- Program Type: Employer-paid with Simplified Underwriting

VOLUNTARY GROUP:

- Total number of eligible employees: 105 eligibles
- Total number of policies placed: 12
- Participation Rate: 11%
- Placed Premium: \$21,185
- Program Type: Voluntary with Simplified Underwriting

COMBINED PLACED PREMIUM: \$75,355

HOW LEAD WAS GENERATED:

Producer was able to transition an existing financial planning benefits client that happened to be the owner of a small business into an LTCI Multi-Life Discount Program client. The producer sold the client on the value of LTCI, as well as the potential tax advantages from offering an Executive Carve-Out with a Voluntary program.

COMMUNICATION/MARKETING STRATEGY:

- Employer provided all employee contact information
- Employer allowed producer to conduct worksite educational and enrollment meetings
- Employer allowed payroll stuffers
- Producer used MetWINS Illustration Reports to create customized plans for each employee
- Producer built 10-Year Premium Payment Rider into Executive Carve-Out base policies
- Producer held off-site one-on-one meetings
- Producer established 60-day enrollment period

MAIN CONTRIBUTOR TO SUCCESS:

Ability to build the sale from educating the employer on the potential tax advantages and referring them to their own tax and legal advisors for more information. Ability to administer Executive Carve-Out program and a Voluntary program simultaneously.

LAW FIRM CLIENT SUCCESS STORY

VOLUNTARY GROUP:

- Total number of eligible employees: 60
- Total number of placed policies: 11
- Participation Rate: 18%
- Annual Premium: \$21,070
- Program Type: Voluntary with Modified Underwriting

HOW LEAD WAS GENERATED:

Producer became an Associate Member of a state bar association where he had close ties with lawyers that were partners in the same firm.

COMMUNICATION/MARKETING STRATEGY:

- Initial meeting used to educate human resource department and partners on the need for LTCI and the MetLife Multi-Life Discount Program
- Announced a 60-day enrollment period
- Held worksite seminars to help educate employees and explain the value of benefit
- Created communication strategy with multiple touch-points. E-mail communications sent to worksite/office, letters sent to homes, posters and flyers displayed at worksite
- Consistent worksite presence with a room reserved for producer to either hold one-on-one meetings with employees, or as a contact point for employees to schedule home appointments so spouse and/or family member could partake in discussion
- Completed applications on-site with interested attendees

MAIN CONTRIBUTOR TO SUCCESS:

Support from Human Resource department and upper management, as well as a regular on-site presence, and a strong communication and marketing strategy.



PROGRAM TOOLS

23

Program Tools

There are many tools that have been created to assist with the sale, approval, implementation and enrollment of a Multi-Life Discount Program.

In addition to the tools referenced in this chapter, the MetLife Mature Market Institute® is a terrific resource for support and educational materials.

MetLife Mature Market Institute®

The MetLife Mature Market Institute® is MetLife's information and policy resource center on issues related to aging, long-term care, retirement, and the 50+ marketplace. The MetLife Mature Market Institute®, staffed by gerontologists, provides research, training and education, consultation and information to support MetLife, its corporate customers and business partners.

SOME OF THE MANY THINGS THAT THE METLIFE MATURE MARKET INSTITUTE® DOES:

- Research and polls on the aging of America and its application to business
- Educational seminar and workshops for MetLife and its business partners
- Consultation, information and resources such as *QuickFacts*, a monthly fact sheet, highlights new findings and trends in aging, retirement and long-term care and *Since You Care*®, a series of guides, which provide practical suggestions and useful tools on a variety of specific care-related subjects
- Public relations and public policy through its active role on coalitions and boards
- The MetLife Mature Market Institute's® knowledge and expertise of the mature market can help MetLife monitor trends, enhance marketing and increase sales of products and services

For more information, please visit www.maturemarketinstitute.com.

Multi-Life Discount Program — Group Approval Process

If you submit your MetLife Long-Term Care Insurance business through a Master General Agency (MGA), you, as a sub-producer will need to submit forms for this approval process through that MGA. For questions, please contact the appropriate sales desk or resource line applicable to your channel.

STEP 1	Determine if the prospective organization meets the guidelines for a MetLife Multi-Life group.
STEP 2	<p>Mail, fax or e-mail the completed <i>Qualification Form</i> and the <i>Offer Letter Worksheet</i> to your Multi-Life Account Specialist. Remember to keep copies for your records.</p> <p>Mail: MetLife, Multi-Life Account Specialist, Individual Long-Term Care Insurance 57 Greens Farms Road, Westport, CT 06880</p> <p>Fax: 203-221-6564</p> <p>E-mail: LTCML@metlife.com</p>
STEP 3	<p>Once received, the Multi-Life Account Specialist will:</p> <ol style="list-style-type: none"> 1. Review all forms submitted, 2. Request additional information, if needed, and 3. Make a decision on group approval. <p>If the Multi-Life group is acceptable for the program, the producer or MGA will receive an <i>Offer Letter</i> via e-mail from the Multi-Life Account Specialist.</p>
STEP 4	<p>The <i>Offer Letter</i> must be:</p> <ol style="list-style-type: none"> 1. Delivered to the organization, 2. Signed by the appropriate person(s) from the Organization, and 3. Returned to the Multi-Life Account Specialist. <p>PLEASE NOTE: The Multi-Life group will not become active until the signed <i>Offer Letter</i> is received by MetLife. Additionally, no applications may be submitted until the signed <i>Offer Letter</i> is returned to the Multi-Life Account Specialist and a MetLife Multi-Life Group Number has been assigned.</p>
STEP 5	<p>Once the signed <i>Offer Letter</i> is received, the Multi-Life Account Specialist will send an invitation for an implementation call. Implementation calls are critical to the success of the program and are strongly recommended. These calls are mandatory for cases with a payroll deduction/list bill, and may also be required with employer-paid groups. Once this call has taken place, the Multi-Life Account Specialist will assign a Multi-Life Group Identification Number and will activate the group. An instruction letter and Multi-Life Group Identification Number will be sent via e-mail.</p>
STEP 6	<p>Follow the steps outlined for you by your Multi-Life Account Specialist and begin your marketing initiative including scheduling meetings with employees to help them complete the appropriate applications.</p>

Employer Questionnaire (with Answer Guide)

One of the keys to having a successful Multi-Life enrollment is to determine the likelihood of the group's success before investing time, resources and energy. Outlined below is the *Employer Questionnaire* tool that includes an answer guide to help identify variables that could result in higher group participation. This exercise will allow you to measure an employer's commitment, and provide you with a clear picture of whether or not to proceed with the group. This tool will also provide you with the information needed to help you develop an effective marketing and implementation plan. For an *Employer Questionnaire* without an answer guide, please contact your Multi-Life Account Specialist.

The information beneath each question indicates what ideal answers you should look for and why.

1. Are there any changes occurring within the company, or changes that have occurred within the last 12 months, that may impact an employee's decision to purchase long-term care insurance? Circle those that are applicable:
 - Mergers
 - Acquisitions
 - Layoffs
 - Pay cuts
 - New management
 - Increase in insurance costs

Ask to evaluate if employees will have distractions and if it is an appropriate time to offer LTCI. Employees may not want to make major decisions in an environment with job risk and future job uncertainty.

2. Are you planning to offer any other voluntary benefit programs simultaneously with the MetLife Long-Term Care Insurance offering?

There are limits to what benefits employees will spend discretionary income on. An LTCI stand-alone offering is highly recommended.
3. Which key locations would you like to target to hold enrollment meetings? Please describe the population at each location. Which location(s) has the highest number of management employees?

Determine which locations will most likely have a high participation rate (i.e. high profile location or worksite with over 100 employees). If there are numerous locations, consider partnering with another producer to reach employees at those locations.
4. Have you ever offered a long-term care insurance program to your eligible population?

If the group had a prior program, what was the participation rate? Why did the employer discontinue the offering? Were there any critical issues which hampered participation? If the participation rate was high, it's important to ensure the group is not saturated with LTCI policyholders.
5. Do you offer critical illness, cancer or other insurance?

Such products may be misconstrued by employees as supporting or paying for long-term care services. If an employer answers "yes," you will most likely need to enhance your communications program to focus on educating employees on what long-term care services are, the costs associated with them, and the differences between the existing products already offered.

6. If you have offered other voluntary benefits to employees, what were the participation rates? Would you consider these to be successful offerings? If so, what contributed to their success? If not, what could have helped maximize participation?

If the participation rate was in the double digits then consider building off of existing communication methods. If low, gain an understanding of why and develop a different communication strategy.

7. What methods have you traditionally used to communicate benefits and enrollment information to your employees? Circle all that apply:

- | | | |
|--|--|---|
| <input type="checkbox"/> Mailed to home | <input type="checkbox"/> E-mail | <input type="checkbox"/> Dedicated websites (from carriers) |
| <input type="checkbox"/> Intranet | <input type="checkbox"/> Interoffice mail | <input type="checkbox"/> Worksite brochures |
| <input type="checkbox"/> Posters/flyers | <input type="checkbox"/> Company newsletters | <input type="checkbox"/> Payroll stuffers |
| <input type="checkbox"/> Closed Captioned TV | <input type="checkbox"/> Broadcast voicemail | <input type="checkbox"/> Benefits fairs/meetings |

Determine the best methods of communication that will be most effective for the group's implementation. Use employer's experience as an indication of success.

8. Would you be willing to communicate the MetLife Long-Term Care Insurance benefit to your eligible population at least 8-11 times during the enrollment period?

Through MetLife's years of experience implementing employer groups, we have found it typically takes 8 to 11 communication "touch points" for employees to understand their need for LTCI and act on either learning more and/or applying for coverage.

9. Would you offer voluntary onsite enrollment meetings during work hours for interested employees? Evening meetings for interested family members? Would you be willing to promote meetings via e-mail, letters, posters and/or on your Intranet site?

Evaluate employer's support. Determine if they will allow you to meet with employees face-to-face and if they will provide assistance in communicating the opportunity. Holding enrollment meetings is a very effective way to educate and motivate employees.

10. What percentage of your employees have access to company e-mail? Would you be willing to distribute program communications via e-mail? If so, do you have the ability to target e-mails to various segments of your employee population? For example, managers in certain states.

E-mail is fast, inexpensive and an effective way to communicate with employees. Employer commitment to distribute e-mail communications can greatly increase the potential for a high participation rate in a Multi-Life Discount Program.

11. Do you have in-house software/hardware capability to support a webcast meeting? Do you have video-conferencing capability between office locations?

Conducting webcasts is also an effective way to educate and communicate program details to employees in one or multiple locations.

Proposals

To request a proposal, the Multi-Life group must be qualified by MetLife. You may submit a request for a proposal to your Multi-Life Account Specialist by fax (203)221-6564, or e-mail to LTCML@metlife.com. The Multi-Life Account Specialist will send the proposal electronically as a PDF file. It is highly recommended that the proposals be printed on high quality paper and bound (if necessary) with marketing material or MetLife's MetWINS Illustration reports before presenting to an employer.

MetWINS LTC Illustration Reports

MetLife's MetWINS LTC Illustration software features the capability of developing Multi-Life Illustrations to fit your specific sales requirements. It is flexible and has distinct types of reports that can be prepared for both employer or employee sales use. Please note that MetWINS LTC Illustrations are subject to state availability. The different MetWINS reports are:

- **SIDE-BY-SIDE RATE SHEET FOR ALL AGES REPORT**
This report provides a summary of premiums for ages 18 to 84, for up to three different plan designs, with all discounts assumed at the group level. No census is required.
- **SIDE-BY-SIDE COMPARISON FOR ENTIRE CENSUS REPORT**
This report provides employee premiums for up to three different plan designs, and totals the cost for each plan. Discounts are based on each employee's specific variables. A census is required.
- **PREMIUM DIFFERENCE (2 PLANS) REPORT**
This report provides employee premiums for two plan designs, as well as the cost difference between these plans. Discounts are based on each employee's specific variables. A census is required.
- **CENSUS SUMMARY BY AGE (1 PLAN) REPORT**
This report provides employee premiums for one plan design, as well as a subtotal breakdown of premiums by age group. Discounts are based on each employee's specific variables. A census is required.
- **CENSUS SUMMARY BY PLAN (2-3 PLANS) REPORT**
This report provides employer costs for up to three different plan designs, where employees can mix and match plan choices. Each employee is associated with one of the three plan designs and a subtotal of costs and number of employees is provided for each plan. Discounts are based on each employee's specific variables. A census is required. This report is an ideal way of illustrating an executive carve-out program.
- **MULTI-LIFE ENROLLMENT KIT REPORT**
This report provides a customized brochure (booklet) which compares up to three different plan designs and premium illustrations for each employee within an employer's census. This report is a wonderful tool to use during enrollment meetings.

Executive Carve-Out Quick Reference Tool –
Good For Business, Good For Employees

BENEFITS FOR THE EMPLOYER	BENEFITS FOR THE EMPLOYEE
<ul style="list-style-type: none"> ■ Helps RECRUIT top talent by offering a sought-after executive benefits program. ■ Gives employers the FLEXIBILITY to include classes of employees. ■ The program can include owners, employees, spouses and other eligible family members. ■ Employer-paid benefits offer the same FAVORABLE TAX ADVANTAGES as major medical insurance.* ■ May allow for a 100% TAX DEDUCTION if the qualified long-term care insurance premiums are paid by the business for employees, their spouses and other eligible family members.* ■ Helps AVOID potentially costly business disruptions. 	<ul style="list-style-type: none"> ■ Rewards and recognizes key executives for their hard work and dedication. ■ Provides a very DESIRED BENEFIT for employees and their families. ■ Premiums paid by the business generally do not count as income to the employee.* ■ Benefits received for long-term care services are GENERALLY TAX-FREE.* ■ Helps ease the financial and emotional strain of caring for a loved one. ■ Offers employees a way to help prevent family and friends from the burden of providing care.

* Employers should consult with their own independent Tax/ERISA counsel to determine whether ERISA applies to their program and the plan requirements under ERISA and the Internal Revenue Code. Employers should consult with their own Tax/ERISA counsel prior to purchase. The Internal Revenue Code imposes limitation on deduction of premiums paid under accelerated payment plans. Other limitations on deductibility of premiums paid may apply. The federal tax law limits the amount of per diem type benefits that may be received tax-free under a qualified long-term care insurance policy.

Marketing Communication Strategy

A critical component of a successful Multi-Life Discount Program is formalizing a communication strategy for the program's implementation. Refer to the outline below to help build your group's communication strategy then use it to help map out key dates on the timelines shown on the following pages. Maximizing the number of effective communications sent out to your group will help maximize your group's attendance at meetings and participation in the program. MetLife highly suggests that producers use 8 to 11 communication "touch-points" with most group implementations.

1. EMPLOYER ANNOUNCES PROGRAM TO EMPLOYEES

- Employer agrees to distribute announcement to all employees from appropriate senior management officer or Human Resource contact
- Announcement is distributed electronically, as well as mailed to home addresses for spouse consideration
- Announcement includes details about program and enrollment period deadlines, program discount and advantages of applying early

2. MEETING COMMUNICATIONS

- Distributed multiple times to build anticipation/interest in meetings
- Flyers with meeting details handed out and/or placed on employees' desks
- Posters with meeting details and producer contact information posted around worksite location
- Meeting reminder sent with RSVP in order to:
 - provide sense of urgency to reader
 - obtain attendee contact information for follow-up

3. ENROLLMENT MEETINGS

- Provide illustrations or enrollment kits to attendees
- Distribute additional marketing material as needed
- Take attendance at meetings
- Obtain *Needs Assessments* for those interested to help pre-qualify potential applicant
- Schedule follow-up one-on-one meetings as needed
- Complete application for those who wish to apply for coverage

4. FOLLOW-UP COMMUNICATION

- Make outbound call to those that attend meetings who have not applied as a reminder that enrollment period is coming to a close
- Send reminder communications to entire census reiterating that enrollment period is coming to a close

5. TAKE APPLICATIONS!

Pre-Implementation Timeline

Enter Date Below		Action Item	Initial Upon Completion
	IMPLEMENTATION CALL	<p>IMPLEMENTATION CALL – Held after receipt of signed Offer Letter. Participants should include the Producer, Multi-Life Account Specialist, Benefits Administrator and Billing Contact. On this call, participants should:</p> <ul style="list-style-type: none"> • Discuss and formalize program implementation and timeline • Discuss effective date • Discuss billing/payroll deduction/list-bill dates to meet desired effective date <p>Program communication materials should also be reviewed and finalized.</p>	
	PRE-ENROLLMENT PERIOD	<p>PRE-AWARENESS & EDUCATIONAL CAMPAIGN</p> <p>Initiate awareness, educate and create interest with multiple communication touch points before enrollment period start date. Most effective if distribute pre-awareness and educational materials multiple times within a 15 to 30 day window before the enrollment period begins.</p>	

Implementation Timeline

Enter Date Below	Enrollment Period (In Days)	Action Item	Initial Upon Completion
	Day 1	Organization announces program to employees. Send Announcement Letter from a company executive. May include details about process and upcoming informational meeting(s).	
	Day 10	Start employee communications – enrollment period. Program posters/flyers, e-mail messages, newsletter articles distributed. Communicate enrollment period deadline with time, place and date(s) of informational meeting(s). Include information, if available, on how to sign-up to attend informational meeting(s).	
	Day 14	Follow-up announcement communication – Including details about program, enrollment deadline and informational meeting(s).	
	Day 16	Reminder communication – Highlighting details about the program, enrollment deadline and informational meeting(s).	
	Day 17	Informational meeting(s) begin. Provide enrollment kits.	
	Day 27	Follow-up communication e-mail – Giving the program highlights and an application deadline reminder – enrollment period coming to a close.	
	Day 30	Follow-up communication e-mail – Informing that the enrollment period is coming to a close.	
	Day 40	Deadline for receipt of applications – enrollment period ends.	
	Days 45-60	<p>Payroll deduction.</p> <p>Once the employer receives an invoice, the employer can begin payroll deduction for employee/voluntary paid cases. Payroll deduction cannot begin prior to the receipt of an invoice, and should begin at least 15 days prior to the desired effective date.</p> <p>For Voluntary paid cases – Payroll deduction can begin once the employer receives a bill.</p> <p>For Employer-paid cases – Employer should remit payment as soon as the bill is received.</p>	
	Days 60-90	<p>Program effective date. A common effective date may be established during group set-up and only if applicants apply during the enrollment period and are approved by the time the payroll deduction/list-bill is generated.</p>	



MARKETING & COMMUNICATION SUPPORT

33



MARKETING & COMMUNICATION SUPPORT

Administering this important benefit doesn't require the time and resources employers expect. Take a look at some sample materials available throughout every step of program implementation. Use this step-by-step communication pictogram to effectively create a comprehensive employee communication program, specifically designed to increase awareness and generate need. Remember, all marketing materials are based on state availability. Please always check with the sales desk or resource line applicable to your distribution channel to confirm material availability by state. Please also note that some marketing materials may be in development and/or may be subject to change.

PRE-AWARENESS & EDUCATIONAL CAMPAIGN

The MetLife Mature Market Institute® is the company's information and policy resource center on issues related to aging, retirement, long-term care and the 50+ marketplace. For use in a MetLife program, the MetLife Mature Market Institute® publishes *Since You Care*®, a series of guides which provide practical suggestions and useful tools on a variety of specific care-related subjects, as well as writes industry specific articles on long-term care to be published in company newsletters. Whether these materials are distributed via e-mail, hand-delivered, or published in company newsletters, they work well to create awareness and initiate interest in the MetLife program.



PROGRAM ANNOUNCEMENTS WITH ENROLLMENT PERIOD DATES

Whether they are e-mails, letters, flyers or posters, all communications include important enrollment period dates, as well as references to eligibility, premium discounts and the advantage of applying early. Determine which materials best suit the group's business culture.



MEETING ANNOUNCEMENTS, INVITATIONS & REMINDERS

We have multiple communications available for inviting and notifying employees of informational enrollment meetings. Additionally, there are timely reminders to help employees schedule their time.



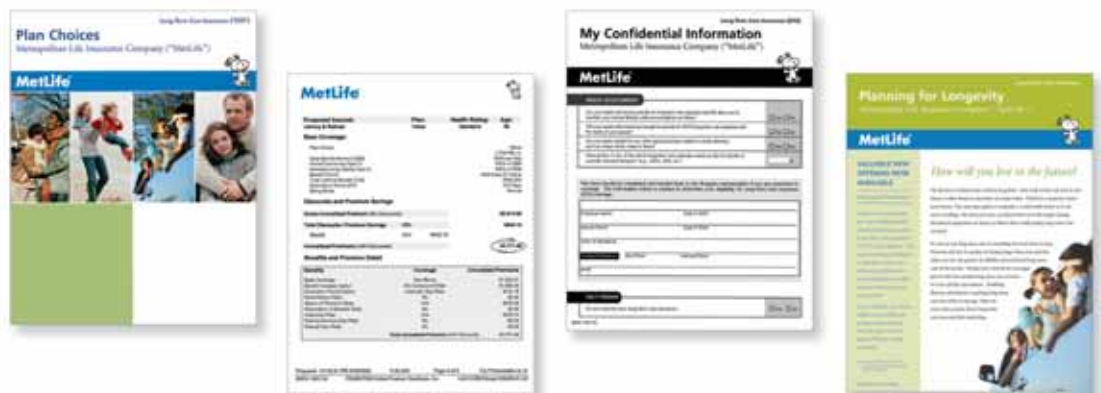
MEETING PRESENTATIONS

Educational seminars and enrollment meetings can be conveniently held at the employer's worksite and provide a great overview of MetLife's Long-Term Care Insurance.



MEETING HAND-OUTS AND TOOLS

MetLife recognizes the different needs of diverse employee populations. Tools, such as our Enrollment Brochure, Enrollment Kit with MetWINS Illustration, and Needs Assessment all were designed to enable the employees to better understand how MetLife's Long-Term Care Insurance can help protect their current and future lifestyles based on their own specific needs and lifestyles.



WEB ACCESS

MetLife remains highly committed to making it easy for employees to access information about the MetLife Long-Term Care Insurance benefit. Employees, and eligible family members, can visit MetLife's LTC website and utilize helpful decision support tools, read testimonials, learn more about long-term care, the cost for long-term care services, or request more information from the MetLife producer implementing their employer's program.



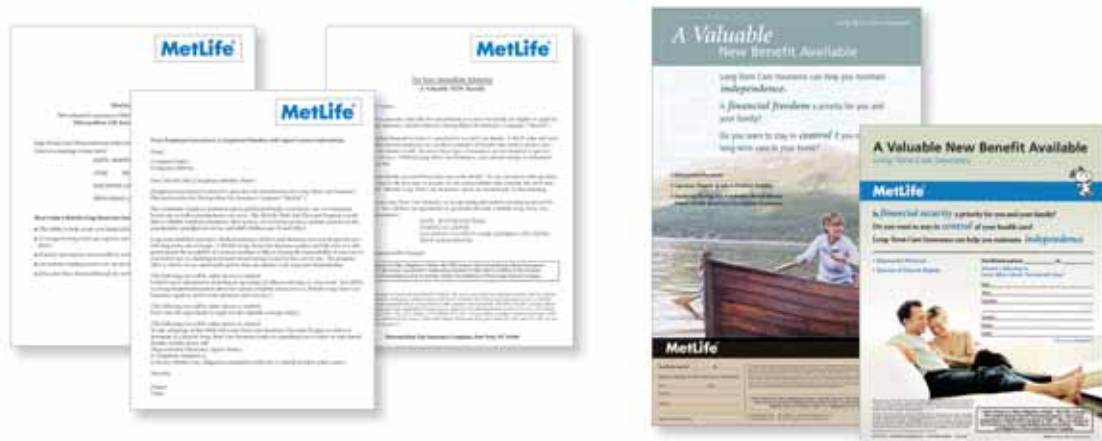
VALUE-ADDED COMMUNICATIONS DURING THE ENROLLMENT PERIOD

MetLife's Mature Market Institute provides an abundance of consumer-based materials that help educate the population on issues pertaining to the current and future mature market. As a leader in the industry, MetLife is proud to make these award-winning materials available to employees and their families.



ENROLLMENT PERIOD REMINDERS

MetLife reminds employees of their Enrollment Period throughout the program implementation, and especially in the final weeks. Reminder communications include, "Time is Running Out", "5 Days Left" notifications that can be used as payroll stuffers, desk drops, or electronic communications.



NEW HIRE COMMUNICATION

Providing an overview of the MetLife Long-Term Care Insurance coverage in an employee's new hire benefit package is an excellent way to communicate the advantages of applying for coverage during his or her initial enrollment period. MetLife provides details on how the program works, how to apply for coverage and how to obtain a personal quote from the MetLife producer implementing the program.



WELCOME TO METLIFE

Once an applicant is approved for coverage, the insured will have access to MetLife's *Nurse Care Advisory Service* at no additional charge. Unique to the industry, MetLife's *Nurse Care Advisory Service* is available at any time – not just when the insured goes into claim. Additionally, since MetLife believes one-on-one communication is the best way to ensure an insured's needs are met, we place no limit on this type of personal support. Some reasons why an insured might call his or her *Nurse Care Advisor* are:

- To confirm if a service is covered under their MetLife Long-Term Care Insurance policy.
- To help understand the benefit eligibility process.
- To obtain assistance in identifying care options in their area.
- To have a trusted person to serve as a sounding board for questions surrounding their care options.



FREQUENTLY ASKED QUESTIONS

Processing & Business Rules FAQ's

Q Can two (or more) different Multi-Life Discount Programs be offered to the same Employer? (e.g. employer-paid Simplified Underwriting for executives — voluntary Modified Underwriting for rank and file)?

A Yes, as long as each “carved-out” group can meet its own minimum participation requirements, and the reason for the carve-out is not to separate potential underwriting risk classifications.

Q Does the producer have exclusive rights to market the MetLife LTCI Multi-Life discount to the approved group?

A Generally, our agreement is exclusive with the producer that was awarded the case. Unless we have the producer’s permission and any required authorization, MetLife will not distribute any information regarding the group’s LTCI Multi-Life Discount Program for marketing purposes.

Q Who should I go to for more information, help and/or support with my Multi-Life Discount Program questions?

A For more information, contact a Multi-Life Account Specialist through the appropriate sales desk or resource line applicable to your distribution channel, fax them at (203)221-6564, or e-mail LTCML@metlife.com.

Discounts FAQ's

Q Is there an extra Multi-Life discount for employer-paid policies?

A Yes, when the case is an employer-paid Simplified Issue, the Multi-Life Discount increases to 10% (rather than 5%).

Q Is the Multi-Life discount portable for employees if they leave the organization?

A Yes. Once a policy is issued with a Multi-Life Discount, it retains the discount for the life of the policy and will stay with the policyholder even if they leave the employer.

Q If the Multi-Life discount is suspended for the group, do the existing in-force policies lose the discount?

A No. Once a policy is issued with a Multi-Life discount, it retains the discount for the life of the policy.

Q Under Simplified Underwriting (either employer-paid or voluntary), can any participant get a preferred health discount?

A No. The Preferred Health Discount is not available to any applicant within a Simplified Underwriting group.

Program FAQ's

Q Does a group that selected Simplified Underwriting have 90 days or 12 months to meet the minimum participation requirements?

A The group has 90 days from when MetLife approves the group to meet the minimum participation requirement. This is considered the enrollment period. Any employee that wishes to apply for benefits after 90 days must complete the Modified Underwriting sections of the application. New hires have 90 days from their new hire/benefits eligible date to qualify for Simplified Underwriting, if the minimum participation requirement is met during the initial enrollment period.

Q How is it determined whether a Multi-Life group is set up in the 3 to 9 or the 10+ life segment?

A Your Multi-Life Account Specialist will determine if a group should be classified as a 3 to 9 life group or a 10+ life group. The following guidelines will be followed:

- A group will be considered in the 3 to 9 life segment if it is employer-paid with less than 10 employee employer-paid lives.
- A group will be considered in the 3 to 9 life segment with a voluntary program when there are less than 50 eligibles. For groups with 25 to 50 eligibles the Multi-Life Account Specialist will use their discretion based on the marketing plan, group type and producer experience to determine whether the group will be considered in the 3 to 9 life segment.

Q Do spouses and family members count towards meeting the participation requirements?

A To establish a group, MetLife considers the eligible employees only, however, all eligibles count toward meeting the minimum participation requirement.

Q Are employer-paid spouses eligible for Simplified Underwriting in the 3 to 9 life segment?

A No, spouses require Modified Underwriting for groups in this segment.

Application FAQ's

Q Do I need to use a special Multi-Life application?

A Yes. Standard "Individual" applications must NEVER be used for Multi-Life cases. If the Multi-Life application is not used, we cannot properly identify the applicant as a member of the group. (There is only one Multi-Life application that accommodates both Simplified and Modified cases.) Remember also to always include the appropriate group number on the application or MetLife will not be able to apply the program discount.

Q Can I take applications without a Group Number?

A No. The fact that a Group Number has not been assigned indicates that MetLife has not finalized approval of the group. A discount will not be applied if there is no group number on the application.

Q If an employee within a Simplified Underwriting group completes the Modified Underwriting sections of the application to obtain higher benefits and is declined, would the employee be eligible for any benefits?

A Once the employee is declined, they may still qualify for the maximum benefits allowed under the Simplified Underwriting guidelines as long as they can pass the five insurability questions in the Simplified Underwriting section of the Multi-Life application. However, if the employee does not pass the five insurability questions, they may be entitled to a *Decline Offer*. The *Decline Offer* is not available in the 3 to 9 life segment.

Billing FAQ's

Q What are the billing options?

A Billing can either be direct or payroll deduction/list-bill. Direct billing can be done on an annual, semi-annual, or quarterly basis and mailed to the applicant's residence or they can designate a third party payor to receive the bill. If done on a monthly basis, the billing must be done via an Automatic Checking Account Deduction.

Payroll deduction/list-bill for employees and their spouses will be made monthly for their premium. MetLife will send one bill to the employer listing each employee's required premium amount. All other insureds in the group will be billed directly. Annual list bill is available for employer-paid cases. Certain restrictions apply.

Electronic payroll deduction is also available for groups with 1000 or more eligible employees.

Q How do I request a common effective date for a group?

A Inform the Multi-Life Account Specialist of this request during the approval process. Provide the Multi-Life Account Specialist with the enrollment begin and end dates. Typically, the common effective date should be 30 to 45 days from the last day of enrollment.

Commissions FAQ's

Q Are commissions reduced on Multi-Life cases/policies?

A Commissions will not be reduced for MetLife's traditional Multi-Life offering in the 10+ market segment. For groups in the 3 to 9 life market segment, commissions will be reduced in both the first year and renewal years. The determination of a group's market segment will be made based on the size of the eligible population and the plan type (employer paid or voluntary). Please consult your Multi-Life Account Specialist for further details.

Q If I have a group in the 3 to 9 life segment and I end up meeting 10+ placed lives, will my commissions still be reduced?

A Your first year commission will be reduced, but there will be no compensation reduction in renewal years.

Tax FAQ's

Q What is Circular 230?

A Treasury Department Circular 230 sets forth standards for certain written opinions that provide advice with respect to Federal tax issues. The standards for providing such advice are fairly stringent. The rules apply to most written tax advice (including e-mail information). Noncompliance with the rules may subject the individual and their companies to significant professional and monetary sanctions.

Q Do these rules apply to marketing materials and other written information provided to MetLife customers?

A Although it is not entirely clear at this time, it appears that these rules may include written tax related materials used in insurance marketing and individualized correspondence (through email or otherwise) provided to a MetLife customer.

Q Why is there a Circular 230 Notice on tax related marketing materials?

A Relief from the stringent standards for written tax opinions, may generally be obtained if any written marketing materials contains a specific disclaimer found in the rules. This following disclaimer will generally appear on all MetLife tax related marketing materials in order to assure compliance with the Circular 230 rules.

CIRCULAR 230 NOTICE:

Pursuant to IRS Circular 230, MetLife is providing you with the following notification:

The information contained in this [brochure, article, document, illustration] is not intended to (and cannot) be used by anyone to avoid IRS penalties. This [brochure, article, document, illustration] supports the promotion and marketing of this long term. You should seek advice based on your particular circumstances from an independent tax advisor.

Q What do I do to comply with the rules?

A In your capacity as a MetLife representative or agent, you are not allowed to provide legal or tax advice to MetLife customers. In addition, you are not allowed to provide written tax information which has not been approved by MetLife for use in the sales process. Any tax related sales materials which have been approved through proper approval channels will be reviewed by our legal staff and will have a Circular 230 Notice (disclaimer) in appropriate situations where the legal staff have deemed the disclaimer necessary.

MULTI-LIFE ACCOUNT SPECIALIST:

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