



# Coming July 11<sup>th</sup> – Custom Care III and Core Care in AZ, DC, DE, IL, MT, ND, OR, and SD

LTC NEWSLINK

THE LATEST NEWS AND IDEAS TO GROW YOUR LTCI BUSINESS

June 29, 2011

We are pleased to introduce our new product portfolio – Custom Care III and Core Care – in 8 additional states on July 11, 2011 (new states are in bold):

Alabama	<b>Illinois</b>	Minnesota	Ohio	Utah
Alaska	Iowa	Mississippi	Oklahoma	Vermont
<b>Arizona</b>	Kansas	Missouri	<b>Oregon</b>	Virginia
Arkansas	Kentucky	<b>Montana</b>	Pennsylvania	Washington
Colorado	Louisiana	Nebraska	Rhode Island	West Virginia
<b>Delaware</b>	Maine	New Hampshire	South Carolina	Wisconsin
<b>District of Columbia</b>	Maryland	New Mexico	<b>South Dakota</b>	Wyoming
Georgia	Massachusetts	North Carolina	Tennessee	
Idaho	Michigan	<b>North Dakota</b>	Texas	

**Custom Care II Enhanced will be discontinued in the bolded states on July 11, 2011** — All Custom Care II Enhanced applications in the states listed above must be signed no later than July 10, 2011, and received in the home office no later than July 11, 2011.

**Read this memo for:**

- Overview of Custom Care III & Core Care
- DRA Partnership certification
- Administrative deadlines for Custom Care II Enhanced applications
- Illustrations and rate cards
- Fillable application booklets
- Producer training materials
- Consumer marketing materials
- State variations
- Product marketing and application booklet state availability chart

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### Overview of Custom Care III & Core Care

John Hancock’s latest LTC insurance offerings, Custom Care III and Core Care, were developed based on today’s realities. The design, benefits, and pricing of each product reflects:

- recent trends in our growing body of claims experience, and the prevailing conditions that exist within today’s economic environment
- our commitment to providing flexible solutions that enable you to meet the individual needs, preferences, and budget of each client

Long-term care insurance is underwritten by John Hancock Life Insurance Company (U.S.A.), Boston, MA 02117 (not licensed in New York) and in New York by John Hancock Life & Health Insurance Company, Boston, MA 02117.

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**Custom Care III** is a highly customizable solution offering a variety of optional riders, similar to its predecessor Custom Care II Enhanced. **Core Care** is a streamlined solution based on the Custom Care III chassis, emphasizing greater affordability and simplified policy design to help facilitate the sales process.

*New features of both include:*

- **CPI Compound Inflation to Age 75** allows the Daily Benefit and Total Pool of Money to be adjusted each year on a compounded basis, according to increases in the Consumer Price Index (CPI). The potential amount of the annual CPI increase is unlimited, even during periods of high inflation. In the event that the CPI decreases, the benefit amount will not be reduced. Annual benefit increases will occur on each policy anniversary through your 75th birthday.<sup>1</sup>
- **Paid-Up at Age 75** is an attractive option if your client is 55 or younger and wants to eliminate paying premiums during their retirement years.

**On Custom Care III**, the following new feature is also available:

- **20-Pay** enables your client to pay the full cost of their policy over 20 individual annual payments.<sup>2</sup>

**Other key highlights include:**

Benefits	Custom Care III	Core Care
Policy design	A highly customizable solution offering a variety of optional riders, similar to its predecessor Custom Care II Enhanced	A streamlined solution based on the Custom Care III chassis, emphasizing greater affordability and simplified policy design to help facilitate the sales process
Coverage	Comprehensive coverage of care in all care settings	
Elimination periods	Choice of 30, 60, 90, 180, or 365 service days	90 service days
Inflation options	CPI Compound Inflation CPI Compound Inflation to Age 75 5% Compound Inflation Guaranteed Purchase Option (GPO)	CPI Compound Inflation to Age 75 5% Compound Inflation Guaranteed Purchase Option (GPO)
Built-in benefits	Caregiver Support Services Consumer Protection Provisions Additional Stay At Home Benefit Advantage Provider Program	
Built-in benefits for under age 65	Double Coverage for Accident Return of Premium	
Optional riders	SharedCare Survivorship and Waiver of Premium Waiver of Home Health Care Elimination Period Additional Cash Benefit Nonforfeiture	SharedCare Nonforfeiture

<sup>1</sup> This benefit is not available to applicants over age 70. There will be no further increases on or after your 76th birthday. Not available in AZ or DE.

<sup>2</sup> The maximum issue age for 20-Pay is 69.

## DRA Partnership certification

These new products have been Partnership-certified in Montana, North Dakota, Oregon and South Dakota. The following chart represents the required inflation options by age tier for Partnership eligibility.

Age Tier	Type of Inflation Coverage
for issue ages under 61	CPI Compound Inflation Coverage
	CPI Compound Inflation Coverage through Age 75
	5% Compound Inflation Coverage
for issue ages 61-75	CPI Compound Inflation Coverage
	CPI Compound Inflation Coverage through Age 75 (only available to purchase to age 70)
	5% Compound Inflation Coverage
for issue ages 76 and over	CPI Compound Inflation Coverage
	5% Compound Inflation Coverage
	Guaranteed Purchase Inflation Option

## Administrative deadlines for Custom Care II Enhanced applications

Once Custom Care III and Core Care are launched in the states mentioned, Custom Care II Enhanced will no longer be available. All Custom Care II Enhanced applications must be signed no later than July 10, 2011, and received in the home office no later than July 11, 2011.

## Illustrations and rate cards

On July 11, 2011, you can illustrate these new products on eHansel and Hansel (version 14.2). Rate cards will also be available to download on this date. *Custom Care III Rate Card: LTC-8003, Core Care Rate Card: LTC-8103. State specifics rates apply in Oregon.* For state variations of the product, refer to page 5.

## Joint fillable applications available to order in bulk on July 1<sup>st</sup>

Beginning July 1, 2011, you will be able to order applications in bulk. The PDF can be completed and saved, however, you will still need to print, sign and mail the application to the home office. Reference the Fillable Application Flier (LTC-8719) for tips.

The newly designed application booklets contain a checklist on how to complete the package, HIPAA Medical Authorization form, Outline of Coverage, and state-required forms. Other updates include:

- Personal Worksheets are now fillable and have been updated to include our rate increase history.
- Updated Credit for Application page is a fillable section and now includes information for referral splits to indicate the involvement of a referring producer who helped solicit or sell the case.
- Automatic Deduction Plan (ADP) (7269R) is a new addition to the booklet and is fillable.
- Other fillable sections include the HIPAA Medical Authorization Form, Advance Payment Receipt and Replacement Form.

Refer to the chart at the end of this article for your state's corresponding application form number. Application booklets will be available to download from [www.jhltc.com](http://www.jhltc.com) on July 8, 2011.

## Producer Training Materials

Visit [www.CustomCareIIICoreCare.com](http://www.CustomCareIIICoreCare.com) for the product training and consumer materials available in your state.

Learning more about this new portfolio is easy with these training materials:

- Custom Care III / Core Care Producer Guide (LTC-8002) provides detailed information about the portfolio, including features, benefits, and administrative information. Please review this guide carefully to become familiar with product nuances. Download or order.
- Facts-at-a-Glance (LTC-8022) is a quick-reference tool that includes a high-level description of the benefits and features of Custom Care III and Core Care. Download only.
- Training Presentation (LTC-8020) provides insight into this portfolio with a review of policy features, benefits, and competitive positioning. Download only.
- CPI Flier (LTC-8012) provides an explanation of CPI-linked inflation and the options available on each product. Download only.
- Collateral Guide (LTC-8010) provides a summary of the producer and consumer materials available to market these products. Download only.
- State Variations Chart (LTC-8034) provides the state-specific nuances of each product.

## Consumer product marketing materials

The following new consumer marketing materials have been approved for use. Please refer to the chart at the end of this communication for the appropriate form number in your state.

- **Custom Care III Product Brochure** – describes the benefits and features of this product. Download or order.
- **Custom Care III Product Seminar Presentation** – focuses on the key benefits and features of this product. Download.
- **Core Care Product Brochure** – describes the benefits and features of this product. Download or order.
- **Core Care Product Seminar Presentation** – focuses on the key benefits and features of this product. Download.
- **Overview Brochure** – explains the key consumer benefits of a LTC insurance policy. Can be used with both products. (Form: LTC-8181/ICC10-LTC-8181) Download or order.

Please refer to the chart at the end of this article for the correct form number for use in your state. You can also reference the Collateral Guide (LTC-8010) for a list of all producer and consumer materials available.

## Consumer needs marketing materials

You may continue to use the existing needs-based materials available in these new states except in Illinois.

**In Illinois:** The state is now part of the Interstate Compact, therefore some materials have been revised to reflect the 'ICC' sequence. Please replace your existing stock with the following materials that are available to download and will be available to order on July 11, 2011. For more information on the Interstate Compact, please refer to Newslink dated April 22, 2011.

Brochure	New form number	Brochure	New form number	Brochure	New form number
Needs Overview Brochure	ICC10-LTC-6700	Women's Brochure	ICC10-LTC-6301	Boomer Postcard	ICC10-LTC-6402
Boomer Brochure	ICC10-LTC-6302	Leadership Brochure	ICC10-LTC-3757		

## State Variations

Arizona	<ul style="list-style-type: none"> <li>- CPI to age 75 – n/a</li> <li>- CPI Compound Inflation available with both Custom Care III and Core Care</li> <li>- GPO: no age restrictions, can be on claim in past 2 yrs, but only 1 refusal allowed (GPO rates for ages 80+)</li> <li>- SharedCare 2-and 3- year Benefit Periods, and 2- year buy up – not available</li> </ul>
Delaware	<ul style="list-style-type: none"> <li>- CPI to age 75 – n/a</li> <li>- CPI Compound Inflation available with both Custom Care III and Core Care</li> <li>- GPO: no age restrictions, can be on claim in past 2 yrs, but only 1 refusal allowed (GPO rates for ages 80+)</li> </ul>
Illinois	<ul style="list-style-type: none"> <li>- Coordination of Benefits – n/a</li> </ul>
District of Columbia	<ul style="list-style-type: none"> <li>- Couple/Partner Discount referred to as Spouse/Domestic Partner Discount</li> </ul>
North Dakota	<ul style="list-style-type: none"> <li>- Coordination of Benefits – n/a</li> </ul>
Oregon	<ul style="list-style-type: none"> <li>- Additional Cash Benefit – n/a</li> <li>- Waiver of Home Health Care EP = Waiver of Non-Facility EP</li> <li>- Definition of "home" includes ALF's and adult foster homes</li> </ul>
South Dakota	<ul style="list-style-type: none"> <li>- Benefit minimums: Daily = \$100, Monthly = \$3,000</li> <li>- 180- and 365-day EP – n/a</li> <li>- Coordination of Benefits – n/a</li> <li>- Family Discount – n/a</li> <li>- Couples Discount available to married couples only</li> </ul>

## Product marketing and application booklet state chart

State	CCIII Product Brochure	CCIII Seminar Presentation	CCIII Application Booklet	Core Care Product Brochure	Core Care Seminar Presentation	Core Care Application Booklet
Alabama	LTC-8000	LTC-8001	LTC-8720AL	LTC-8100	LTC-8101	LTC-8721AL
Alaska	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
<b>Arizona</b>	<b>LTC-8000</b>	<b>LTC-8001</b>	<b>LTC-8720AZ</b>	<b>LTC-8100AZ</b>	<b>LTC-8101</b>	<b>LTC-8721 AZ</b>
Arkansas	LTC-8000	LTC-8001	LTC-8720AR	LTC-8100	LTC-8101	LTC-8721AR
Colorado	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720CO	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721CO
Delaware	<b>LTC-8000DE</b>	<b>LTC-8001</b>	<b>LTC-8720DE</b>	<b>LTC-8100DE</b>	<b>LTC-8101</b>	<b>LTC-8721DE</b>
District of Columbia	<b>LTC-8000</b>	<b>LTC-8001</b>	<b>LTC-8720DC</b>	<b>LTC-8100</b>	<b>LTC-8101</b>	<b>LTC-8721DC</b>
Georgia	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720GA	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721GA
Idaho	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
<b>Illinois</b>	<b>ICC10-LTC-8000</b>	<b>ICC10-LTC-8001</b>	<b>ICC10-LTC-8720</b>	<b>ICC10-LTC-8100</b>	<b>ICC10-LTC-8101</b>	<b>ICC10-LTC-8721</b>
Iowa	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720IA	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721IA
Kansas	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720KS	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721KS
Kentucky	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720KY	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721KY
Louisiana	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720LA	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721LA
Maine	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720ME	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721ME
Maryland	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720MD	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721MD
Massachusetts	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720MA	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721MA
Michigan	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
Minnesota	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720MN	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721MN
Mississippi	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
Missouri	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
<b>Montana</b>	<b>LTC-8000</b>	<b>LTC-8001</b>	<b>LTC-8720MT</b>	<b>LTC-8100</b>	<b>LTC-8101</b>	<b>LTC-8721 MT</b>
Nebraska	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720NE	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721NE
New Hampshire	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
New Mexico	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
North Carolina	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
<b>North Dakota</b>	<b>LTC-8000</b>	<b>LTC-8001</b>	<b>LTC-8720ND</b>	<b>LTC-8100</b>	<b>LTC-8101</b>	<b>LTC-8721ND</b>
Ohio	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
Oklahoma	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
<b>Oregon</b>	<b>LTC-8000OR</b>	<b>LTC-8001OR</b>	<b>LTC-8720 OR</b>	<b>LTC-8100OR</b>	<b>LTC-8101OR</b>	<b>LTC-8721OR</b>
Pennsylvania	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
Rhode Island	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720RI	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721RI
South Carolina	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720SC	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721SC
<b>South Dakota</b>	<b>LTC-8000</b>	<b>LTC-8001</b>	<b>LTC-8720SD</b>	<b>LTC-8100</b>	<b>LTC-8101</b>	<b>LTC-8721SD</b>
Tennessee	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720TN	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721TN
Texas	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720TX	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721TX
Utah	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720UT	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721UT
Vermont	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720VT	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721VT
Virginia	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720VA	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721VA
Washington	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720WA	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721WA
West Virginia	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721
Wisconsin	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720WI	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721WI
Wyoming	ICC10-LTC-8000	ICC10-LTC-8001	ICC10-LTC-8720WY	ICC10-LTC-8100	ICC10-LTC-8101	ICC10-LTC-8721WY

Long-term care insurance is underwritten by John Hancock Life Insurance Company (U.S.A.), Boston, MA 02117 (not licensed in New York) and in New York by John Hancock Life & Health Insurance Company, Boston, MA 02117.

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