

# Privileged Choice® Flex 3

Long Term Care Insurance

Genworth 



Underwritten by  
Genworth Life Insurance Company, Richmond, VA

ICC15-158677F3A 05/01/15

To order use: ICC15-158677F3A 10/10/24

## What is Long Term Care?

Long term care (LTC) is the assistance or supervision you may need when you are unable to do some of the basic activities of daily living (ADLs) – bathing, dressing, eating, continence, toileting and transferring. You also may need help because of a severe cognitive impairment that can be caused by Alzheimer’s disease or other brain disorders.

A need for long term care may result from:

- Accidents
- Illness
- Advanced age
- Strokes
- Other chronic conditions

Long term care can be received at home, in the community or in an assisted living or nursing facility. You may qualify for long term care insurance benefits if you can’t perform two ADLs by yourself for at least 90 days or require substantial supervision if you suffer from a severe cognitive impairment. To qualify for benefits, covered long term care services must be received in accordance with a Plan of Care prescribed by a Licensed Health Care Practitioner.

# Why Consider Long Term Care Insurance?

Some people believe they can self-insure by allocating personal savings for long term care. While putting money aside for your care is a great idea, you can significantly increase the purchasing power of that money with a long term care insurance policy.

## Bob's plan



Bob is 52 years old, married and maintains his health. He has \$1,700 to set aside for long term care each year. He is interested in comparing saving this money to purchasing a long term care insurance policy from Genworth Life Insurance Company (Genworth).

### Self Insuring

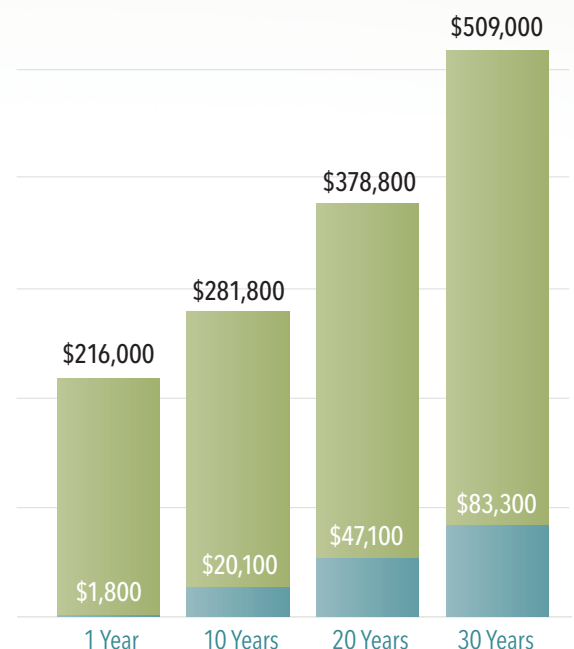
- Bob puts **\$1,700** each year into a money market account.
- His money grows at **3%** each year net of taxes.
- In 30 years, he will have accumulated approximately **\$83,300**.

### Long Term Care Insurance Policy

- Bob purchases a long term care insurance policy.
- His premium is **\$1,700** each year.<sup>1</sup>
- He selected the **3%** compound inflation protection option.
- In 30 years, he will have access to **\$509,000**<sup>1</sup> to pay for covered long term care expenses.

### Long Term Care Insurance Coverage vs. Self-Insuring

- Privileged Choice Flex 3<sup>1</sup>
- Self-Insuring



<sup>1</sup> Assumes \$4,500 Monthly Benefit for 48 months, 90 service day elimination period, 100% Assisted Living Facility and Home and Community Care benefits, and no claims incurred for 30 years. All values are based on select couples rates and rounded to the nearest \$100. Premiums are not guaranteed, but this example assumes they do not change over the life of policy. The payment of benefits is subject to all policy limitations, including Daily / Monthly Benefit Maximums.

# Why Genworth?

We are committed to meeting your long term care needs with flexible long term care insurance products backed by dedicated employees who provide an outstanding service experience.

## Service

Being there for you at the moment of truth is our top priority. We understand how challenging a long term care situation can be, and our goal is to make your claims experience as smooth as possible. Our dedicated employees provide outstanding service from the moment you buy your policy to the time you use it.

# #1

#1 in Individual  
Long Term Care Insurance  
Total Policyholders.<sup>2</sup>

## Experience

There is no substitute for experience. Genworth helped pioneer long term care insurance in 1974. With more than **1,000,000**<sup>2</sup> policyholders and over **\$29.3 billion**<sup>3</sup> in paid claims, Genworth has the experience and expertise you can count on.

## Education and Awareness

Genworth continues to study consumer long term care needs and how best to support them. We continually develop educational materials that provide individuals like you with helpful resources.

We are at our best when  
you need us most

<sup>2</sup> National Association of Insurance Commissioners ("NAIC"), Long-Term Care Insurance Experience Reports for 2022, published in 2023, based on 2022 end of year "lives in force"; <https://content.naic.org/sites/default/files/publication-ltc-lr-care-experience-report.pdf>

<sup>3</sup> Long Term Care Claims Experience for Genworth Life Insurance Company and affiliates-December 1974 through December 2023.

## Privileged Choice Flex 3

Put the power of choice in your hands with Privileged Choice Flex 3 from Genworth. This flexible long term care insurance product allows you to customize coverage to fit your wants, needs and a range of budgets.

Throughout this brochure, you will find the Flex icon. It indicates places where flexible options are available to customize your plan.



# Home and Community Care

Many people in need of long term care feel most comfortable at home, near loved ones and familiar surroundings. Others may prefer a more social environment, such as an adult day care program. And some may require the advanced care provided in nursing or assisted living facilities.

## Home Health and Personal Care Services

Simple health care tasks, personal hygiene, managing medications, help performing Activities of Daily Living, and supervision needed if you have severe cognitive impairment.

## Nurse and Therapist Services

Health care services provided in your home by a nurse or licensed physical, occupational, respiratory, or speech therapist.

## Homemaker and Chore Care (HCC)

Assistance with meal planning and preparation, laundry and light housecleaning, and minor household repairs related to your safety while you live in your home.



## HOME AND COMMUNITY CARE BENEFIT OPTIONS<sup>4</sup>

- **100%** Daily or Monthly Maximum
- **50%** Daily or Monthly Maximum

These coverage percentages are based on coverage up to your Daily / Monthly Maximum.

Home Health and Personal Care Services as well as Nursing and Therapist Services must be provided by an Agency.<sup>5</sup>

## Optional Informal Care Rider

Homemaker and Chore Care must be provided by a Homemaker or Home Health Agency unless you have the optional Informal Care Rider. This benefit reimburses covered Informal Care expenses up to 50% of your selected Daily or Monthly Home and Community Care Maximum and may be purchased for an additional premium.

<sup>4</sup> Throughout this brochure the Daily and Monthly Maximums refers to the Nursing Facility Maximum you select.

<sup>5</sup> If an agency does not provide services within 40 miles, an Independent Provider may be acceptable. Independent Provider is a licensed healthcare practitioner who does not work for an agency. If an Independent Provider is not certified or licensed, other criteria must be met.

# Facility Care

If the best place to receive long term care is not in your home, we offer flexible options for facility care.

## Facility Care

Privileged Choice Flex 3 will pay for covered expenses incurred for room and board and care services in these facilities:

- **Nursing Facility**

A licensed facility engaged in continual nursing care. Privileged Choice Flex 3 provides Nursing Facility coverage up to 100% of the Daily or Monthly Maximum you select.

- **Assisted Living Facility**

A facility that provides care and assistance for cognitive impairment and ADLs.



### ASSISTED LIVING FACILITY BENEFIT OPTIONS

- **100%** Daily or Monthly Maximum
- **50%** Daily or Monthly Maximum<sup>6</sup>



<sup>6</sup> In Kansas and Maryland, 50% coverage for Assisted Living Facility Care is not available.



# It All Starts with You

Privileged Choice Flex 3 is designed to be tailored to your specific needs.

Just use our simple **Core 4<sup>SM</sup>** approach to create your customized plan.

All you need to do is consider four basic choices:

## 1 Benefit Amount

You may choose to have benefits reimbursed for long term care expenses on a daily or monthly basis. Determine the maximum benefit amount you want for covered long term care expenses. Benefit payment limits are referred to as Daily or Monthly Maximums.

When making this decision, it can be helpful to consider the current cost of care in your area. Genworth's Cost of Care Survey ([genworth.com/costofcare](http://genworth.com/costofcare)) is one annually-updated source for this information.



### BENEFIT PAYMENT OPTIONS<sup>7</sup>

- **Monthly Maximum**

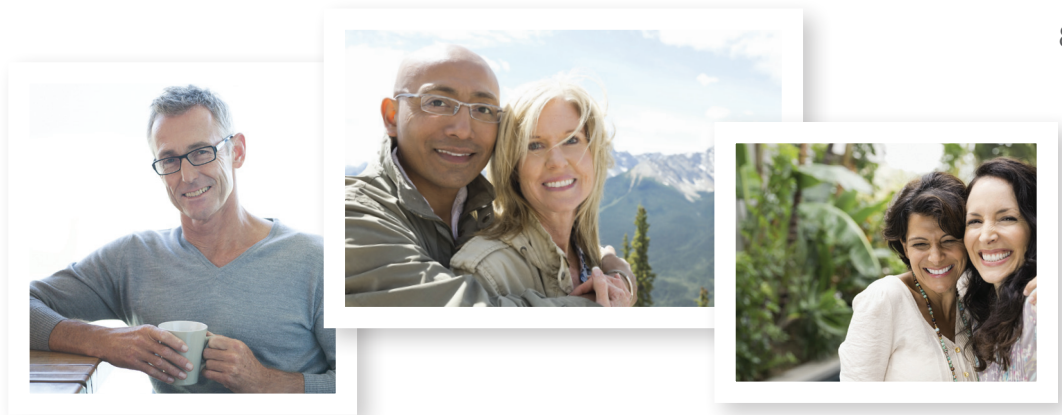
The maximum benefit available to pay for covered services received in a month. *Range: \$1,500 to \$9,000.*

- **Daily Maximum**

The maximum benefit available to pay for covered services received in a day. *Range: \$50 to \$300.*

<sup>7</sup> Monthly and Daily Maximums are for Nursing Facility care. Other limitations may apply to other benefits. In Wisconsin, the minimums are either \$60 daily or \$1,800 monthly.





## 2 Benefit Multiplier

Select a Benefit Multiplier. Benefit Multipliers can be in terms of days or months.

The Benefit Multiplier, along with your Monthly or Daily Maximum, is used to calculate your initial Coverage Maximum. This is the total amount of benefits available to pay for covered long term care while your policy is in-force.

### Example

$$\begin{array}{r} \$5,000 \text{ Monthly Maximum} \\ \times 36 \text{ Month Benefit Multiplier} \\ \hline = \$180,000 \text{ Coverage Maximum} \end{array}$$

In this example, the policyholder has **\$180,000** available to reimburse covered long term care expenses.<sup>8</sup>



### MULTIPLIER OPTIONS

Years	2	3	4	5
Months	24	36	48	60
Days	730	1095	1460	1825

<sup>8</sup> Assumes policy is in force. Note that if the benefit payments you require are less than your Daily or Monthly Maximum, your benefits will last until your Coverage Maximum is exhausted.

## It All Starts with You - CONTINUED

### 3 Elimination Period

Choose an Elimination Period, which is similar to a deductible. When you file a claim, this is the time period during which you will not be reimbursed for any long term care expenses you may incur.

#### 1st-Day Home Care<sup>9</sup>

You can choose a Waiver of Home and Community Care Elimination Period so that payment for covered Home and Community Care services can start immediately.

#### ELIMINATION PERIOD OPTIONS

- **Calendar Day Elimination Period**  
begins with the first day you incur a Covered Expense. You can choose from **30, 90, 180** or **365** days.
- **Service Day Elimination Period**  
only counts days you receive covered long term care services. You can choose from **30, 90, 180** or **365** days.

#### Calendar vs. Service Day Elimination Periods

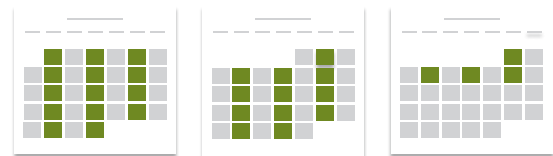
The following examples show 30 Calendar Day and 30 Service Day Elimination Periods. In both examples you receive long term care services every Monday, Wednesday, and Friday. The highlighted days are days that count toward the 30 Day Elimination Period.

##### 30 Calendar Day Elimination Period



30 calendar days after you receive your first long term care service, you will satisfy the Elimination Period.

##### 30 Service Day Elimination Period



Since your Elimination Period is based only on days you receive long term care services, it takes you more than two months to satisfy your Elimination Period.

<sup>9</sup> If you choose this option, the days you receive Home and Community Care benefits will also count toward satisfying your Elimination Period for Facility Care.

## 4 Inflation Protection

Decide if you want inflation protection. This benefit increase option helps your coverage keep up with the rising cost of care by growing your Daily or Monthly Maximum and Coverage Maximum.

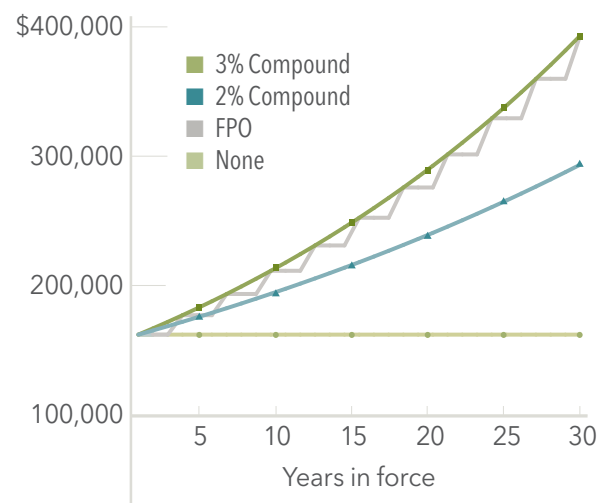
Compound and simple increases will be applied to your Daily or Monthly Maximum and remaining Coverage Maximum on each anniversary of your coverage effective date while the policy is in force.



### INFLATION PROTECTION OPTIONS

- Compound Inflation Option**  
 Your Coverage Maximum, less any claims paid, and your Daily or Monthly Maximum will increase each year by **2%, 3%, 4% or 5%** of the previous year's amounts.
- Simple Inflation Option**  
 Your Daily or Monthly Maximum and Coverage Maximum will increase each year by **5%** of the original amounts.
- Future Purchase Option (FPO)<sup>10</sup>**  
 Provides an opportunity to increase your Coverage Maximum, less any claims paid, and your Daily or Monthly Maximum by **3%** annualized on every third anniversary of your coverage. You do not need to undergo Medical Underwriting again to accept these offers. You may take advantage of these increases as long as you have not declined three consecutive offers. Each FPO offer you accept will increase your premium.

### Inflation Protection Example



The above chart is based on a \$4,500 Monthly Benefit Amount, a 3-year benefit multiplier, and assumes the policy is in force and that no claims have been paid over the period illustrated. The chart shows the effect of the benefit increase options on your Coverage Maximum.

<sup>10</sup> Premiums are based on your then current age, the amount of your increase, and rates in effect as of the offer. Increases with FPO will not be available if you are chronically ill, on claim, or otherwise eligible for benefits. FPO is not available with Shared Benefits.

# Care Today and Tomorrow

**Caregiver Support Services** can help if you have an immediate family member, such as a parent or grandparent, that may be in need of long term care.<sup>11</sup>



## Care Advice

Talking to someone who understands and has the expertise to know the ins and outs of long term care is invaluable. Thousands of families have benefited from working with our trained professionals who are available to answer care-related questions, help assess care needs and help determine an appropriate course of action.

## Quality

At Genworth, we know that finding quality care for loved ones is a priority. We are dedicated to helping you find care that matches your loved one's needs with providers in the community whose capabilities and availability best meet your expectations.

## Online Resources

Searching the Internet for useful information can be difficult. It's hard to know if the sources are credible and trustworthy. We can help alleviate uncertainty by providing you with a reliable online resource.

## What You Can Expect

If you or your family needs professional guidance, we can provide the following:

- **Personal Assessment**  
Whether you need an adult day care, home health care services, or facility care, our trained professionals can answer questions and conduct an objective care needs assessment to create a service plan.
- **Provider Options**  
We can help you find care providers with capabilities and skills that meet your loved one's long term care needs. Upon your request, we can negotiate private pay rates on your loved one's behalf.
- **Customized Resource Guide**  
We can create a customized resource guide for you. This guide contains a list of care providers with services to address your loved one's needs.

<sup>11</sup> Caregiver Support Services are currently provided through CareScout.® CareScout is a Genworth business that provides professional elder care related support activities. The Caregiver Support Services listed above are the services Genworth is currently offering under this program. Genworth may change the provider and/or these services at any time.



**Privileged Care® Coordination Services** may help you plan your long term care services when you require covered care.

You may work with a Privileged Care Coordination Team that includes a nurse or other licensed health care practitioner.

The Privileged Care Coordination Team may:

- Conduct assessments of your functional and cognitive capabilities and personal needs for care and services
- Work with you to identify the specific services and care providers required to meet your needs

- Develop and suggest initial and subsequent Plans of Care to assist you in meeting your needs
- Provide initial and ongoing eligibility certifications
- Help you complete initial claim forms

Whether you choose to use our Privileged Care Coordination Services or not is up to you. Genworth pays for the cost of these services, and your available benefits are not reduced by these payments.

# Options Available for Couples

## Shared Benefit

The Shared Benefit Rider allows you and your spouse/partner to combine your individual benefits to create a shared Coverage Maximum for covered long term care expenses.

When this optional rider is purchased and both you and your spouse or partner apply for and are issued identical policies, both can share each other's Coverage Maximum. If you use all of your Coverage Maximum, you can access your spouse/partner's policy to continue receiving benefits.

If you reduce your coverage amount any time after starting your policy, the guaranteed benefit will be based on the new reduced amount.

If you have the Shared Benefit and Waiver of Premium, neither of you will have to make premium payments to keep both policies in force if one of you goes on claim.

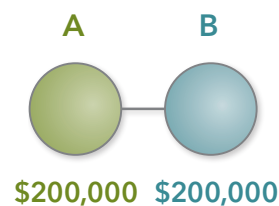
Even if you use all of the shared Coverage Maximum, your spouse/partner is guaranteed at least 50% of his or her original individual coverage.

## Couple's Premiums & Discounts

Our rates are especially designed with couples in mind. If you and your spouse or partner apply for and are issued coverage, you will receive Couple's Premiums which are lower than if you apply as an individual. Even if your spouse or partner does not apply with you, you are still eligible for a Couple's Discount.

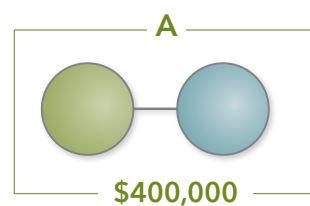
### How the Shared Benefit Works

**\$400,000** is the total shared Coverage Maximum at time of initial purchase.



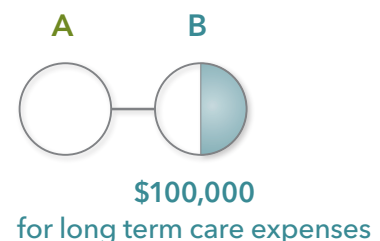
TOTAL COVERAGE

**Person A** uses all of the shared Coverage Maximum for covered long term care expenses.



CLAIM EVENT

**Person B** is guaranteed to have **\$100,000** for covered long term care expenses.



50% GUARANTEE

Even though **Person A** used all of their shared Coverage Maximum, **Person B** is guaranteed to have access to at least **50%** of his or her original Coverage Maximum to pay for covered long term care services. This example assumes **Person B** has not incurred a claim. This example also assumes policyholders do not reduce their coverage during the life of the policy.

# Included Features and Benefits

## Home Assistance Benefit

This benefit provides a maximum lifetime reimbursement up to three times the Monthly Maximum or 90 times the Daily Maximum for the following:

- **Caregiver Training**  
Prepares an unpaid caregiver (such as a person you live with, a friend or relative) to help care for you at home.
- **Emergency Medical Response Systems**  
Covers the installation and ongoing monitoring fees for a medical alert system.
- **Home Modifications, Assistive Devices and Supportive Equipment**  
May cover the purchase or rental and installation of items such as a ramp, grab bars or other supportive equipment.

## Refund of Premium up to Age 65

If you die before age 65, and your policy is in force, we'll refund the full amount of your premiums paid, minus any claims paid, to your designated beneficiary.

## Alternate Care

Pays for additional care, services, equipment or other items that are not otherwise covered under another benefit. If you, your doctor and Genworth all agree, and these items or services are reflected in your Plan of Care, you will be reimbursed for their cost up to a mutually agreed-upon amount.

## Hospice Care

Provides palliative care to alleviate your physical and emotional discomforts, and is available in your home or in a licensed or certified facility if you become terminally ill. You do not need to satisfy an Elimination Period to receive this benefit.

## Respite Care

Gives your primary unpaid caregiver in the home a temporary break. Home and Community Care and/or Facility Care expenses are reimbursed for the covered care you receive during this time. There is no Elimination Period requirement. Benefits become payable as of the first day you qualify for benefits. Reimbursement is available for up to 30 days per calendar year.

## Bed Reservation

Pays to reserve your room or bed while you are temporarily absent from your stay in a covered facility. This can include time spent celebrating a holiday, visiting your family or temporarily entering a hospital. If you are charged a fee to reserve your accommodations in the covered facility, we will reimburse you for up to 60 days per calendar year for the life of your policy.



## Included Features and Benefits - CONTINUED

### International Coverage

Reimburses expenses incurred for covered care and support services received in an Out-of-Country Nursing Facility, not located in the United States as defined in the policy. You will be reimbursed for those expenses, up to 50% of your Daily or Monthly Maximum.

In addition, the benefit includes covered care received in a home and covers up to 25% of your Daily or Monthly Maximum each month for a maximum of 365 days. International Coverage benefits will not be payable after four years from the time the first covered expense was incurred under this benefit.

Premiums will not be waived, and no other policy benefits will apply while you are out of the country. If you return to the United States, the remainder of your Coverage Maximum will be available.

### Contingent Nonforfeiture

Gives you the right to reduce coverage or convert to limited paid-up benefits in the event of a substantial premium increase.

### Late Payment Protection

In order to keep your policy in force you must make premium payments as specified in your policy. To help ensure that your policy doesn't lapse by mistake, you may designate another person for us to notify if we do not receive your premium payment on time.

We will inform you in writing at the beginning of a Grace Period of a payment that must be made to avoid lapse. If that payment is not made within 66 days of entering the Grace Period, the policy will lapse.

### Protection Against Lapse Due to Impairment

Provides a retroactive continuation of coverage for policy lapse if, within seven months after the lapse, we receive proof (acceptable to us) that you would have otherwise been eligible for benefits prior to lapse. In order to continue your coverage, you will need to pay all past-due premiums.

## Optional Features and Benefits

### Increase Coverage Option

This feature allows you to purchase additional coverage on each policy anniversary. You can increase your coverage up to the maximum allowed amount.

### Waiver of Premium

No premium payments will be due while you are receiving covered care. You can choose to remove the Waiver of Premium to decrease your premium.

# We Want You to Know

## Tax-qualified Long Term Care Insurance

Privileged Choice Flex 3 is intended to meet the requirements for federally tax-qualified long term care insurance.

As such, it reimburses covered expenses for qualified long term care services under IRC Section 7702B(b). As tax-qualified long term care insurance, your premiums may be deductible and the benefits you receive may be considered non-taxable income. For more information, consult with your attorney or tax advisor.

## State Partnerships for Long Term Care

Your state may recognize this coverage as qualified long term care insurance under a Long Term Care Partnership Program. If so, you will receive appropriate disclosures of the status of your coverage and what it means to you.

The coverage advertised may meet the requirements for participation in a Long Term Care Insurance Partnership Program in some states. Under this Program, the policyholder may be able to protect assets from Medicaid spend-down requirements through a feature known as 'asset disregard.' Nothing in a policy or certificate issued by a company is a guarantee of Medicaid eligibility, nor a guarantee of any ability to disregard assets for purposes of Medicaid eligibility. Please also note that states do not take part in company-specific marketing plans, and states do not endorse specific companies or company specific policy and certificate forms. If you have questions about the availability of this Program in your state, please contact the company or your state insurance department.

## Guaranteed Renewability

Once you're insured, as long as you pay your premiums on time and do not exhaust your benefits, your coverage is guaranteed renewable and cannot be canceled except as may be provided by the Misstatements and Incontestability Provision.

## Premium Payment Options

To fit your budget and retirement plans, Genworth offers flexible payment options. You can pay your premiums monthly, quarterly, semi-annually or annually.<sup>12</sup>

## Premiums

We have the right to increase premiums in the future, as stated in the policy. Premiums may not, however, be increased due to changes to your health status or age. Premiums must be paid as specified in your policy to maintain coverage.

## 30-Day Free Look

This gives you the opportunity to review your policy and, if you are not completely satisfied, return it within 30 days for a full refund.

## Nonforfeiture Benefit

This optional benefit provides limited protection if your policy lapses after this benefit has been in force for three consecutive years. This optional benefit provides you with a reduced, paid-up Coverage Maximum equal to the total of all the premiums you've paid for your coverage or an amount equal to one month (30 days) of your Nursing Facility benefit at the time your coverage lapses – whichever amount is greater.

## Medical Exam

As part of the application process, you will be required to have a medical exam.

<sup>12</sup> Although premiums are calculated on an annual basis, premiums may be shown on a monthly, quarterly or semi-annual basis. Annual premiums may be paid in advance at the beginning of each coverage year. However, your premiums may be paid on a more frequent basis throughout your coverage year. If you pay your premiums more frequently than annually (e.g., monthly, quarterly or semi-annually), there will be additional charges that apply. The more frequent the premium payment mode, the more charges you will incur. For example, the total annual premium paid on a monthly basis will be more than the total annual premium paid on a quarterly basis. As a result, the total annual premiums paid will be higher for Monthly, Quarterly or Semi-Annual payment modes than if you paid premiums on an Annual mode. For more information, please refer to the Modal Premium Disclosure in your Policy.

# Additional Information

## Exclusions and Limitations

We will not pay Benefits for any expenses incurred for any room and board, care, treatment, services, equipment, or other items:

- For which no charge is normally made in the absence of insurance;
- Provided outside the United States of America, its territories and possessions; unless specifically provided for by a Benefit;
- Provided by Your Immediate Family, unless: specifically covered by a Benefit; or he or she is paid as a regular employee of the organization that provides the services to You;
- Provided by, or in, a Veteran's Administration or Federal government facility, unless a valid charge is made;
- Resulting from illness, treatment or medical condition arising out of any of the following:
  - War or any act of war, whether declared or not;
  - Attempted suicide or an intentionally self-inflicted injury;
- Resulting from Your alcoholism or drug addiction (except for an addiction to a prescription medication when administered in accordance with the advice of a Physician).

## Non-Duplication

Benefits will be paid only for Covered Expenses that are in excess of the amount paid or payable under:

- Medicare (including amounts that would be reimbursable but for the application of a deductible or coinsurance amount); and
- Any other Federal, state or other government health program, or law except Medicaid.

This Non-Duplication provision will not disqualify a Covered Expense from being used to satisfy any Elimination Period requirement.

Review the Outline of Coverage and your policy for state-specific details of the exclusions and limitations.

THE POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.





PRIVILEGED CHOICE FLEX 3

Read the policy for full information about product features, benefits and limitations. The descriptions contained in this brochure are only summaries and are not intended to be a substitute for the policy. In the event of a conflict, policy terms and provisions will prevail.

This is a solicitation of insurance for policy form series ICC13-8000R1 and ICC13-8001R1. Details about the costs, benefits, limitations and exclusions of these long term care insurance policies will be provided to you by a licensed insurance agent/producer. When you respond, an insurance agent/producer will contact you.

All benefits of the insurance policy are backed by the claims paying ability of the issuing insurance company. They are not backed by the insurance agency from which this insurance policy is purchased or any affiliates of that agency, including without limitation its affiliate broker/dealer, and none of these entities makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

All applications are subject to the underwriting requirements of Genworth Life Insurance Company and are subject to change.

Genworth Life Insurance Company has the right to increase premiums in the future, as stated in the policy. Premiums must be paid as specified in the policy to prevent lapse of coverage.

Underwritten by  
Genworth Life Insurance Company,  
Richmond, VA

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Insurance and annuity products:	
• Are not deposits.	• May decrease in value.
• Are not insured by the FDIC or any other federal government agency.	
• Are not guaranteed by a bank or its affiliates.	