

THE CHOICES YOU MAKE TODAY MAY GIVE YOU BETTER CHOICES TOMORROW.

You do so much to plan for what the future holds — both the expected and the unexpected. You have a health insurance plan in case you get sick. You have life insurance to help your family carry on. And you put aside as much as possible in 401(k)s, IRAs and other plans to enjoy a comfortable retirement.

But without long term care insurance your financial plan may be incomplete. The costs for long term care can quickly add up, and standard health insurance isn't designed to cover the kinds of long term care needs you may face as you grow older. People are surviving more illnesses that were previously classified as terminal.

A good way to help guard your assets from the costs of long term care is with the protection of a long term care insurance policy. You'll be providing better options for yourself and your family because long term care insurance may give you more flexibility in how and where you receive long term care. You may enjoy more choices — like access to home healthcare —

that may help ease the burden on your family and let you remain independent longer.

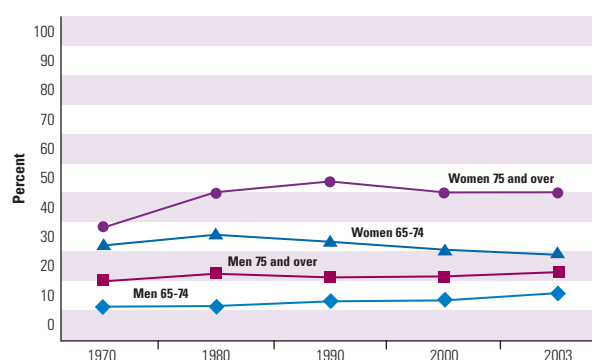
You'll also be helping to protect the asset base you've worked so hard to build. Retirement planning is about living the way you want to live. Including long term care insurance in your plans helps you do just that with a greater sense of security.



LONG TERM CARE IMPACTS WOMEN— BOTH AS RECIPIENTS AND PROVIDERS.

Long term care is not an individual issue. It may affect you as a care recipient, but it may also affect you as a family member or loved one who shares in the challenges of providing care and helping to make care choices for others. As such, long term care is a women's issue. Because when a loved one requires care, it may be a woman who provides it. And women may be more likely to need long term care.

Population age 65 and over living alone



Note: Data refers to civilian noninstitutionalized population.
Source: Older Americans 2004: Key Indicators of Well-Being. U.S. Census Bureau, Current Population Survey, Annual Social and Economical Supplement.

Estimates suggest there are around 23 million unpaid care providers in this country. Seven in ten of them are women, usually wives and adult daughters who choose to put a loved one's needs above their own.¹ It's a balancing act that can take a strong personal toll, as well as placing extra burdens on their families — and careers.

For a woman who works, caring for the needs of an aging loved one could affect her very livelihood. Over half of employed women who were providing care for a relative had to make accommodations at work, like coming in late, leaving early or working fewer hours.² One in five of them had to give up work temporarily or permanently, according to a National Alliance for Caregiving/AARP survey.² Too often women caregivers find themselves facing a difficult choice between caring for a loved one's well-being and caring for their own.

But women are not just more likely to be care providers. They may also be more likely to be recipients, because with increased age comes increased risk for illnesses and diseases that require long term care. According to Jim Emerman, Senior Vice President of the American Society on Aging, "We know that after age 65, Americans have more than a 70 percent chance of needing some form of long term care."³ It's no secret that women tend to live longer than men, so generally women should not ignore the need to plan for a potential long term care event.

Genworth Life Insurance Company's own claims experience gives further evidence of the skew towards women in long term care. Over the last 30 years, long term care benefits paid for women were approximately two and one-half times those paid for men.⁴ It's a wake-up call for all women to evaluate their own plans for how to pay for care should they need it, and to make sure that they'll have as much say as possible in the quality of long term care they receive.

¹ Speech by Josefina Carbonell, U.S. Assistant Secretary for Aging, on April 10, 2003. Retrieved August 9, 2005, from the World Wide Web at www.aoa.gov/press/speeches/2003/04_apr/speeches_archive_04_14_pf.asp

² AARP Public Policy Institute, *Factsheet: Women and Long Term Care*. Retrieved August 15, 2005, from the World Wide Web at http://assets.aarp.org/rgcenter/health/FS77r_women_2002.pdf.

³ Press release issued by the American Society on Aging "Americans Fail to Act on Long Term Care Protection," May 23, 2003, Retrieved August 15, 2005, from the World Wide Web at www.asaging.org/media/pressrelease.cfm?id=35.

⁴ Presentation by Ty Wooldridge FSA, MAA, Senior Vice President BB and Chief Actuary, Genworth Financial Long Term Care Division, July 21, 2005.

IT'S CARE FOR CAREGIVERS, TOO.

Choice only begins to explain the true benefits of long term care insurance. More than choice, long term care insurance can provide a level of flexibility should you need long term care that meets your needs. It can provide the flexibility to respond to your long term care needs in a truly individual way. And the flexibility to look outside conventional solutions for other options that may work for you.

The following examples from actual Genworth Life Insurance Company's policyholders demonstrate the levels to which long term care insurance can rise to meet your individual needs.

She would give up everything for her father. Fortunately she didn't have to.

A college student had a sick father at home. She planned to cut back on her courses to reduce family expenses and was looking for a job to raise extra money to help her family. Her father was insistent that no one else care for him but her.

The daughter became an employee of a local home healthcare service agency and was assigned to care for him. While family members are typically excluded from being reimbursed under our long term care insurance policies, there are times they can become paid providers. In this case, Genworth Life Insurance Company's long term care insurance was able to reimburse the father for his daughter's charges for care from the local healthcare service agency and help the family make the most of a difficult situation. And since the job provided flexible hours, she could continue taking her normal course load at college.

She needed a helping hand, but not from a nurse.

A wife wanted to care for her husband, a claimant, at home, but couldn't continue doing all the chores of running the household. The policy paid a homemaking service to help with some cooking and cleaning and other household chores included in her husband's plan of care, which allowed the wife not only to focus on caring for her husband, but also to spread the burden of completing the chores.

They proved that you can go home again.

A couple living in an assisted living facility wanted to return home to be with their disabled daughter. Because of the policy's home care benefits, they gave it a try. It lasted only about six weeks until one of them required a higher level of care at a facility again. Their plan of care allowed them this flexibility.

These are just a few examples of how our long term care insurance can provide more options in long term care every day. Like most people, you probably like to think of nursing home care only as a last resort. With comprehensive long term care insurance coverage, it may be.



CREATE YOUR OWN LONG TERM CARE INSURANCE PLAN.



You've planned carefully to enjoy a comfortable retirement. You've planned to travel. You've planned for your ideal retirement home. You've even planned to leave something for the next generation. Now it's time to include long term care insurance in your plans. Because without it, all of your planning — and all your dreams — could be incomplete.

A lot of people may make inaccurate assumptions about the costs of long term care — and about the level of coverage they have. Studies reveal that more people believe they have long term care coverage than actually do.⁵ They may think their standard healthcare insurance will pay for long term care. Or perhaps they assume government programs will be there to help. But when you take into account the considerable costs of long term care, not being absolutely certain could have financially devastating effects.

If you need to pay for long term care out of pocket, the costs quickly add up. Genworth Financial's latest Cost of Care Survey⁶ (May 2005) found the national average for a year of nursing home care to be over \$61,000 for a semi-private room. And the average cost for in-home care from a home health aide is now \$22.43 per hour. With those kinds of expenses, it's easy to imagine a sizeable portion of savings could be at risk to long term care needs.

Of course there are government programs, but they offer limited assistance and will likely not provide all the coverage you'd expect. Medicare offers some coverage, but only under restricted circumstances. And since Medicaid requires recipients to be indigent, you will qualify for coverage only once your personal assets are nearly depleted.

Most long term care is still paid for by government programs or directly out of pocket. Only a small fraction (5%) is covered by long term care insurance.⁷ With the right long term care insurance, you can help cover the risks and uncertainty. So you can rest easily knowing that whatever the long term need you face, you'll be better prepared.

At Genworth Life Insurance Company, we're promoting the understanding of long term care, as well as long term care insurance. And we're starting with the people it may affect most — women like you. Talk to your insurance representative today about long term care insurance from Genworth Life Insurance Company. It's a crucial part of any smart retirement plan, because it helps protect what you've worked so hard to earn.

⁵ AARP Public Policy Institute, *Factsheet: Women and Long Term Care*. Retrieved August 15, 2005, from the World Wide Web at http://assets.aarp.org/rgcenter/health/FS77r_women_2002.pdf.

⁶ Genworth Financial, Inc., *Genworth Financial 2005 Cost of Care Survey*, May 2005: Conducted by CareScout.

⁷ Testimony of Josefina L. Carbonell, May 17, 2005, before the U.S. Senate Subcommittee on Security and Aging of the Committee on Health Education, Labor and Pensions. Retrieved August 9, 2005, from the World Wide Web at www.aoa.gov/press/speeches/2005/05_May/HHS%20Statement%20May%2017.pdf.