

A Message About the Sandia Group Long-Term Care Insurance Plan

Sandia is pleased to offer a valuable voluntary participant-paid benefit program: Group Long-Term Care Insurance, underwritten by John Hancock Life Insurance Company.

What is Long-Term Care Insurance?

Long-term care insurance provides coverage for extended care that may be needed for a long-term physical illness or injury, a disability, or a cognitive impairment (such as Alzheimer's disease) that Medicare and health plans typically do not cover. This insurance helps you protect your financial resources by providing coverage for your personal care if you become unable to perform everyday tasks such as eating, dressing yourself, or bathing; it does not generally include care needed to improve or correct medical problems. This insurance could be used to pay for a nursing home, an adult day care center, an alternate care facility, respite care, and/or home health care.

Why did we select John Hancock Life Insurance Company?

Since employees will be paying the entire cost of this insurance and may not be using the benefit for a number of years, Sandia wanted to be sure the company chosen is able to deliver on the coverage and service it promises. We selected John Hancock to be the plan's insurer for its financial stability, leadership in the field of long-term care insurance, and ability to provide meaningful benefits and superior customer service to Sandia employees.

Who is Eligible?

Eligible participants include employees who are actively at work and regularly scheduled to work 24 hours per week, spouses or qualified domestic partners, parents and parents-in-law, siblings and their spouses, adult children and their spouses, and grandparents and grandparents-in-law of eligible employees. Retirees and spouses of retirees are also eligible to apply. All applicants must reside in the U.S. (50 states or DC) on their effective date of coverage. This requirement does not apply to eligible active employees and their spouses/qualified domestic partners temporarily residing outside the U.S. applying with their U.S. residence address. All certificates will be mailed to the U.S. residence address. Employees who are on a leave of absence or disability are not eligible to enroll until they return to work on a regular basis.

When Can I Enroll?

The enrollment period runs from **March 9 – April 24, 2009**. Eligible, actively-at-work employees enrolling by **April 24, 2009** will receive **guaranteed acceptance** into the plan. Guaranteed acceptance means that you will not have to provide proof of good health in order to enroll.

After **April 24, 2009**, you may still apply for coverage, if eligible, but will need to provide proof of good health before being accepted into the plan. Your eligible family members (as described above) will need to provide proof of good health when applying at any time.

More Details Coming Soon

You will receive more information on the Sandia Group Long-Term Care Insurance Plan in the coming weeks. We encourage you to read the materials and think about whether this insurance might help meet your long-range financial needs and goals.

In addition to the informational home mailings, John Hancock will establish a dedicated web site, toll-free telephone number and customer service team for the Sandia Group Long-Term Care Insurance Plan.

Group Long-Term Care Insurance is underwritten by John Hancock Life Insurance Company, Boston, MA 02117.