



# INSURANCE NEWS

By Marc Derendinger Email: marc@derendinger.com

## Open enrollment: reminders and deadlines

Before getting into the Open Enrollment subject, allow me to share a story from a few weeks back, July 22, when my son and I were riding bicycles near Monroe School, in San Jose. I went down pretty hard on a fixed-gear track bike (these bikes don't have brakes). While I do not remember the event, my son said I went over the handle bars while training for the Kilo. The finest public safety team in America (police and fire) responded instantly (it seemed like 90 seconds), and sent me off to Valley Med with 7 broken ribs and a collarbone (I guess smarter persons only ride those bikes at the Hellyer Park Velodrome).

I went back to work six days later, but ended up in the ER the same evening with trouble breathing (thank you to my wife for making me go). After some X-rays and a CT, they stuck me in intensive care, telling me my arm was throwing blood clots and I was suffering from an extensive pulmonary embolism.

How did our insurance perform? Compared to most SJPOA members, I carry very similar insurance e.g. Blue Shield PPO, Hartford Cancer/ICU policy etc. The Cancer/ICU policy is going to pay about \$1,500 for the three days in ICU (it would have paid \$3,000 if I had tangled with a vehicle). This money is coming in handy, as Blue Shield will pay most of the \$30,000 bill, leaving me with a copayment of about \$2,000.

Long-term Care coverage? No, I do not mean Long-term disability—that covers earnings. Long-term Care insurance pays for the extra help around the house e.g. bathing and dressing me, meal preparation, house cleaning, laundry (yes, it really pays for these things) and more. Neither Blue Shield nor Kaiser will cover this stuff. The City of San Jose offers a group long-term care policy through Prudential, have you signed up for it?

Who needs long-term care insurance when you are only 43 years old,

right? Besides, I have a wife who is willing and able.

If you don't think you can read this, just close your eyes and skip to the next paragraph. As I will look you right in the eye and say I got no pleasure out of having my wife wipe my butt for three weeks. And if you think for one minute that it gets any easier having your son or daughter provide this "assistance" (sometime in the future), you are seriously in denial.

I have been asked repeatedly, "what is the best age to buy long-term care insurance?" For me, it was age 41, the date I purchased long-term care policies on my wife and me. That was the smartest day of my life, because two years later, I have become medically uninsurable for LTC insurance. My policy is guaranteed renewable for life, and the insurance company can never take it away. What is the best age for you? Consider the age chart below, which compares the cumulative premium you will pay by Age 80: (See chart)

For more information on Prudential's LTC policy, you may contact Prudential directly at (800) 732-0416.

### OPEN ENROLLMENT

Takes place October 28 through November 14, 2003. The annual City of San Jose Benefits Fair will occur on Tuesday, October 28, from 10:45 a.m. to 2 p.m. There are no big changes in plans this year, however this is the only time you can make important changes, such as:

1. Enroll in either the VSP or Cole Vision Plans
2. Increase or Decrease the amount you contribute to the Flexible Spending Account (FSA) program.
3. Change Health and/or Dental Plans
4. Note: you can enroll in the Prudential LTC and Cigna AD&D plans anytime

In addition, we urge you to use this time each year to do a personal

### THE COST OF WAITING

AGE	If You Buy Now	Annual Premium (x 12)	Paid Premium At Age 80
30	\$ 6.70	\$80.40	\$4,020.00
40	\$13.00	\$156.00	\$6,240.00
50	\$26.41	\$316.92	\$9,507.60
60	\$59.68	\$716.16	\$14,323.20

Lifetime Maximum Benefit available = \$182,500  
 Illustration for Basic Plan at \$100 Daily Nursing Home Benefit, 90 day waiting period, 5 year Lifetime Maximum

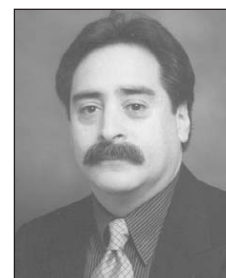
check-up by confirming the individual(s) you named as Beneficiary for your City of San Jose plans and for your SJPOA life insurance plans. Nothing pains me more than paying death benefits to the wrong spouse!

Open Enrollment comes just once per year. Do your homework,

be prepared: advance preparation for Open Enrollment saves you and your family money.

*Editor's Note: Marc Derendinger is our SJPOA insurance broker and can be reached at (408) 252-7300 or by email at marc@derendinger.com* ♦

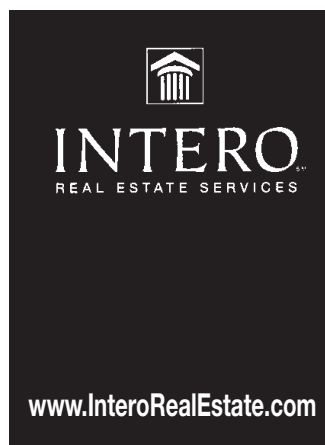
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