

USBA

M E M B E R B R I E F I N G

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A NEWSLETTER FOR MEMBERS OF THE UNIFORMED SERVICES BENEFIT ASSOCIATION

Vol. 40, Issue 1

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Americans Support Troops With “Special Deliveries”

Along with the rest of the nation, USBA watched the war in Iraq with special care and concern as several of our members (and relatives) are deployed there. USBA employees also joined other Americans in assembling Care Packages for the 2nd Brigade of the 3rd Infantry Division.

USBA Call Center Director, Sandra Smith, FLMI, ACS has a son-in-law, 1st Lt.

James R. Weare, Jr., attached to the unit. He has been deployed since October of last year.

“We sent Care Packages with Pringles, honey buns, chocolate, beef jerky, cookies, Kool-Aid, Gatorade and baby wipes,” explained Smith. “Showers were a luxury and limited to one bottle of water so they were desperate and grateful for baby wipes.” Smith says she and co-workers also packed paperbacks to help the soldiers pass the long hours.

The Department of Defense is asking the general public not to send unsolicited mail, care packages or donations to service members forward deployed in order to avoid a glut or slowdown in processing mail from family and loved ones. However, there are still resources that concerned Americans can contact to show their support for the troops. Here are a few:

■ **Operation USO Care Package** is accepting contributions toward the purchase of a care package of items forwarded to troops such as sunscreen, disposable cameras, prepaid calling cards and toiletries. Contact them at www.usocares.org/home or call 1-866-USO-GIVE.



“Operation Sandy Paws” included donations like this “Barks & Stripes” care package made possible through gourmet pet food marketer, Three Dog Bakery. The purchases were compiled and shipped to a military facility for delivery overseas.

(photo courtesy: Three Dog Bakery)

(continued inside)



PRESIDENT'S PERSPECTIVE

Our Actions Today Ensure A Better Tomorrow

Two years have now passed. None among us that crisp September morning could have imagined that America, in a single moment, would be tested so severely.

Yet, what a difference the passing of 24 months has made, as we engaged a threat as dangerous to our way of life as any in our history. As we continue to employ our forces in the multiple roles of fighting, peacekeeping, and nation building, it's essential we remember that the security we've enjoyed since our founding has been purchased, and continues to be bought, at a precious price.



Larry G. Vogt
Rear Admiral, USN (Ret.)
President/CEO

“The peace of mind that comes with the realization that you and your loved ones are financially secure and protected is the promise we continue to offer you.”

The need to feel safe, to feel secure, is one of man's basic needs. And while it remains the responsibility of our elected government to ensure the safety and security of the American nation, it remains a personal responsibility to ensure the safety and security of our own family.

(continued inside)

NEW ALLIANCE OFFERS MEMBERS LONG-TERM CARE PROTECTION

A new alliance on USBA's roster of service and benefits offers long-term care coverage to qualifying members at premium rates that are 10% LESS than their standard rate. The VISTA CARE™ Long-Term Care Insurance policy is offered through Physicians Mutual Insurance Company – which has over 25 years experience in the long-term care insurance industry.

Today, one out of every two people will need long-term care at some point in their future.* According to the American Council of Life Insurers' 2001 report, the average cost of a nursing home stay is \$55,000 a year. However, Medicare covers only 18 percent of these costs.

"USBA is proud to make it easier for our members to afford quality care at home or in a nursing home through this opportunity," states Robert J. Jesso, CLU, ChFC, FLMI, Vice President Agency Operations and Market Development. "We hope everyone takes advantage of this outstanding opportunity to be assured that coverage will be there when they are ready to use it."

Recognizing the phrase "long-term care" covers a broad range of services and concepts, making it possibly confusing for buyers to make an informed decision, USBA and Physicians Mutual Insurance Company are currently offering a fact-filled booklet of information to members. The "Shopper's Guide to Long-Term Care Insurance" explains why one should not rely solely on Medicare for long-term care services. It is also filled with answers to many frequently asked questions.

USBA members can request this free, no-obligation, easy-to-read guide by calling 1-800-910-8878, contacting us online at www.vistacareltc.com/usba or mailing in the attached prepaid postcard.



New USBA Member Service Is Ticket to Vacation Savings

Beginning this month, USBA members will be eligible for exclusive association discounts on vacations through an alliance with Brennco Travel, a specialist in military travel. Brennco, which enjoys a worldwide reputation as one of the largest sellers of vacation travel, offers among the industry's lowest rates and most significant discounts to destinations around the globe.

This USBA exclusive benefit gives members a wide variety of vacation advantages covering cruises, land tours, escorted groups or individual travel. "Whether it is an ultra luxury trip or a budget conscious family vacation, we offer literally hundreds of reduced rate choices," explains Jon Brenneman, Brennco's president.

Brennco, an award-winning and family-owned business with 18-plus years in the industry, has earned top producer status with major cruise line and tour companies, which means they can secure preferred rates and special bargains for customers. Brenneman says



they also leverage their "top producer" relationship with these businesses to ensure quality service as well as savings for customers.

"While we can't guarantee a member savings of hundreds of dollars on every cruise and tour out there," he explains, "we can guarantee that every member receives superior service every time."

Included among the cruise lines and tour operators that Brennco works with are Carnival, Celebrity Cruises, Holland America, Princess Cruises and Royal Caribbean International in addition to Disney Land and Disney World.

USBA members wishing to take advantage of this new service can find more information at www.usba.com (check the Alliances' Links on the home page) where they will be able to fill out a Traveler's Profile and sign up for a free subscription to their Destinations newsletter. Or call 1-800-765-5353 and speak to their full service travel agents.

*Life Plans, Inc. 2001



The Two-Minute Life Insurance Needs Self-Review

USBA and its underwriter, New York Life, recommend that you review your life insurance once a year. Think of it as a checkup ... preventive medicine to help maintain your family's financial security. The reason: needs change over time, sometimes more rapidly than people realize.

Fortunately, this review process needn't be all that complicated or elaborate. To get a rough idea of how well your present coverage meets your own needs, take about two minutes now to complete the following self-review.

TWO MINUTE REVIEW CHECKLIST

Check all that apply:

- My current life insurance program is less than six times my annual income.**

According to the American Council of Life Insurance, this is the least amount of life insurance you should own. So, if your income is \$40,000 a year, you need at least \$240,000 of coverage.

- My annual income has increased by 10 percent or more since I last updated my coverage.**

A key purpose of life insurance is to replace lost income. If your current coverage is not in line with your needs, you could be exposing your family to risk.

- I have had a change in family status.**

The birth of a child, death of a family member, marriage, divorce, or a child leaving home. These events often indicate the need to adjust — whether to increase or decrease — your life insurance coverage.

- My spouse or I recently resumed or discontinued work.**

Such changes create shifts in income and the need to review your plans.

- In the event of my death, my family would have an immediate cash flow problem.**

One of the purposes of life insurance is to provide cash to help your family at the exact moment when it is needed most.

- In the event of my death, my family would have difficulty maintaining their current standard of living.**

Another purpose of life insurance is to provide sufficient funds to help enable your family to stay in the family home and continue their present lifestyle.

- In the event of my death, my children's educational goals would be put in jeopardy.** According to the 2002-2003 College Board numbers, a college education currently averages almost \$10,000 a year at a four-year public college, and over \$25,000 a year at a four-year private school. Looking at the Ivy League? Four years of tuition, fees, and room and board now costs over \$135,000 at elite schools like Harvard and Yale.

- We really haven't taken serious steps to build up a retirement income fund to supplement Social Security and our employer-sponsored pensions.**

If you're already in your 40s or your 50s, you need to start planning and soon.

- We've been too busy to develop a plan mapping out how our estate should be distributed.**

Estate planning goes beyond updating wills. With professional planning, you can make sure your heirs get the estate you build.

Remember USBA is always happy to help if you would like assistance with your Annual Review. Call our trained product specialists at 1-800-368-7021.

*Reprinted in part with permission from
www.newyorklife.com*



Why You Can't Afford to Drop Your Insurance Coverage

It is not uncommon for even the most frugal of spenders to find themselves short at the end of the month, due to unexpected expenses. But letting your policy lapse or canceling it should be the LAST thing on your mind when juggling expenses.

It is important to understand the impact and possible consequences of not making a premium payment on your life insurance policy:

- *If you choose to get new coverage later you will likely pay MORE for the same coverage. That's because a deciding factor in premium rates is age. The older you are at the time of issue, the higher your rate will be.*

- *In some cases, you might not be able to get coverage again ... no matter what the price. Your current health may have changed drastically from when you first bought your coverage. If you let your policy lapse and then apply for new coverage later, changes in your health could impact your rates or you might even risk being denied altogether.*

Before you decide to skip a premium or let your policy lapse, remember why you made the caring decision to purchase it in the first place:

- *Maintain your family's standard of living even when you are not there.*

- *Protect your family's home by enabling them to pay off the mortgage and other debts.*

- *Safeguard your children's future by keeping the college fund intact.*

- *Provide retirement income for your spouse or partner.*

- *Provide funds to settle an estate, pay estate taxes and other final expenses.*

It's important to check out your alternatives. Your insurance needs or situation might have changed, requiring an adjustment in your coverage. Or there might be better budgeting options. For instance, if you pay a semi-annual or annual premium, perhaps it would be easier on your budget to make quarterly payments, or perhaps automatic monthly bank deductions.

USBA does care about its members and welcomes the opportunity to explore options with you when you find yourself financially challenged. Call us at 1-800-821-7912.



Americans Support Troops With "Special Deliveries"

(continued from front)

■ “On the Homefront” is a joint team effort by the Department of Defense and the USA Freedom Corps to establish a resource for people seeking to support troops and their families in meaningful ways. Volunteer resources are available by calling 877-USA-CORPS or online at www.usafreedomcorps.gov.

■ “Operation Air Conditioner” is taking donations for assembling care packages as well as sending over air conditioners to the troops in Iraq where the average daily weather is sunny and 113 degrees. This site was started by a soldier’s mother who wanted to make things cooler for the troops and has received tremendous support from businesses as well as private citizens. They can be contacted at www.operationac.com or (302)-836-1008.

■ “Operation Homelink™” provides free refurbished computers to either parents or spouses of deployed service men and women in the ranks of E-1 through E-5 so they may stay in touch through email communication. Information on making tax-deductible donations can be found at <http://www.operationhomelink.org> or by calling (312) 863-6336.

■ “Operation Sandy Paws” remembers the war dogs that are used for a variety of special needs from bomb detection to guard duties. Those interested in sending “doggy bags” such as the one shown on the cover – which was provided by Three Dog Bakery, a Kansas City-based gourmet dog food chain, can do so through a program called “Operation Sandy Paws,” sponsored by the Space Coast War Dog Association. They can be reached at their website www.spacey.net/scwdaadmin/main.htm.

PRESIDENT’S PERSPECTIVE

(continued from front)

The peace of mind that comes with the realization that you and your loved ones are financially secure and protected is the promise we continue to offer you. USBA can help you protect the financial dignity of every loved one by providing you exceptional products and backing them with first-rate, life long service. You’ll see several of those products along with key information featured in this newsletter.

As we maintain a course that ensures the long term strength of the Association, note that distribution checks typically sent out at this time by USBA will not be mailed this year. Two simple factors account for this: a higher than expected claims-to-premium ratio, and lower investment performance during a slow economy.

As we continue to grow the Association into areas reflecting the expanding needs of our membership, we’ve created two new alliances. The first alliance is with Physician’s Mutual. USBA members will be offered their premier Long Term Care product at a 10% discount on premium. The second is Brenco Travel. They will provide exceptional cruise and travel services to our USBA membership.

As author/teacher James Allen observed: You are today where your thoughts brought you. You will be tomorrow where your thoughts take you. Let me add: The greatest predictor of a positive outcome tomorrow, will be your actions today.

Talk with us at USBA. We’ve been protecting families like yours for over 40 years. We know life insurance. You’ll be glad you called.

Larry G. Vogt
Rear Admiral, USN (Ret.)
President/CEO USBA

Please let us know... Has anything in your personal profile changed?

- ✓ Did you move?
- ✓ Did your marital status change?
- ✓ Have you stopped (or started) smoking?

These are some examples of information we need to keep your profile current. Call 1-800-821-7912 or email Member Services at usbamemb@usba.com and we’ll update your information immediately.



How USBA Safeguards Your Privacy

The Uniformed Services Benefit Association (USBA) knows you want us to keep your personal information private and secure. We're committed to doing this and have policies in place to protect your privacy. We've built our business with integrity, honesty, and trust. And we'll protect your privacy with those values in mind.

You are receiving this notice because you obtained a financial product or service from us or our affiliate, USBA Services, Inc., for personal, family, or household purposes. The provisions of this apply to both current customers and former customers, unless we state otherwise.

Our Privacy Pledge

We offer group life insurance through USBA and other insurance and financial services through USBA Services, Inc. (*Our wholly owned subsidiary*). In order to provide these services, we collect personal information about you. Some of this is called "nonpublic personal information," which includes personally identifiable information that is not publicly available, that is provided by you, obtained by us for nonaffiliated third parties, or that results from your transactions with us. As we collect and maintain this information, we pledge to:

- Collect only information needed to deliver superior products and services
- Control access to your information, both in the office and on the Internet
- Keep your health information private and NEVER disclose it to nonaffiliated third parties for marketing purposes.
- Require strict standards from nonaffiliated providers that help us process transactions.
- Keep your personal information confidential, and let you choose whether or not you are mailed marketing offers from nonaffiliated providers with whom we do business.
- Remind you of our policy at least once a year.

Here's How We Keep Your Information Private

Access is limited to personnel who need the information to provide or administer products and services. We maintain physical, electronic, and procedural safeguards that meet or exceed state and federal regulations. And we continually update and improve our security standards, procedures and technology, to help us protect against anyone gaining unauthorized access to your confidential information.

Categories of Information We Collect and May Disclose

In the normal course of business we may collect the following types of personal information:

- Information you give us on applications and other forms (*such as name, address, date of birth, Social Security number, health information, and beneficiaries*).
- Information about your transactions (*such as your policy coverage, premiums and payment history*).
- Information we receive from a consumer reporting agency (such as your creditworthiness and credit history).
- Information about you from our affiliates or other sources (such as publicly available records).

We may disclose any of the above information we collect to affiliates and nonaffiliated third parties, in the manner described below.

Information We May Share with Affiliates

USBA and USBA Services, Inc. are affiliated companies engaged in the sale of life and health insurance. The law permits us to share among our affiliates any information about our transactions and experiences with you. In order to offer you a broad range of products and services, and to better serve you, we may share among our affiliates some or all the personal information that we obtain from our transactions and experiences with you.

We otherwise do not share any personal information about our customers with our affiliates, except as permitted or required by law.

Information We May Share with Nonaffiliated Third Parties

Nonaffiliated third parties are companies not controlled by USBA.

- We do not sell personal information about our customers to nonaffiliated third parties.
- We do not disclose personal health information about our customers to nonaffiliated third parties, except as authorized or required by law.
- We may share the personal information we obtain about you (as described above) with financial institutions (such as insurance underwriting companies, insurance agents and brokers, and banks) with whom we have joint marketing agreements, or with non-financial companies who perform services on our behalf.
- We may also disclose such personal information about you with nonaffiliated third parties as permitted by law, including disclosures necessary to process and service your account, to protect against fraud, to protect the security or confidentiality of our records, or with your consent.

We otherwise do not disclose any personal information about our customers to any other nonaffiliated third parties, except as permitted or required by law.



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USBA 2003 Dietrich Scholarship Winners are Announced



Michael is joined by his sister, Sarah, and parents, Ann and Mark Baker.



Jennifer is the daughter of Ron and Beth Light.

Dietrich Scholarship recipients for 2003 represented the states of New York and Hawaii. Michael Baker, Ballston Spa New York, will soon be off to Boston College majoring in Business/Economics. Jennifer Light, Honolulu, Hawaii, will attend the University of Pennsylvania as a pre-med student.

The winners were chosen on the basis of both academic achievement, leadership accomplishments and participation in community activities. Each applicant must be the child of a USBA member in good standing and must be a graduating high school senior. The \$2000 grants commemorate former USBA Executive Director and President, the late MajGen Bill Dietrich, USAF.

TO APPLY FOR THE 2004 AWARDS

Visit www.usba.com and download the application from the Member forms section.

MEMBER BRIEFING

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