LifeSecure Insurance Company
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Brighton, Michigan 48116
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LONG TERM CARE INSURANCE - OUTLINE OF COVERAGE

For Policy Form Series LS-0002

Name of Applicant: _____ Date of Application: _____

NOTICE TO BUYER: This policy may not cover all of the costs associated with long term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all policy limitations.

CAUTION: If Your answers on Your Application are misstated or untrue, We may have the right to deny benefits or rescind the Policy.

1. POLICY DESIGNATION

This is an individual policy of insurance.

2. PURPOSE OF THE OUTLINE OF COVERAGE

This outline of coverage provides a very brief description of the important features of the policy. You should compare this outline of coverage to outlines of coverage for other policies available to you. This is not an insurance contract, but only a summary of coverage. Only the policy contains governing contractual provisions. This means that the policy sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you **READ YOUR POLICY CAREFULLY!**

3. TERMS UNDER WHICH THE POLICY MAY BE RETURNED AND PREMIUM REFUNDED

30-Day Free Look – You may cancel your policy for any reason within 30 days after you receive it. Simply return the policy to us. We will treat the policy as though it had never been issued. We will refund the full amount of any premium paid. We will refund any premium paid within thirty (30) days after We receive the returned Policy.

Refund of Premiums in Certain Cases – If you die while covered under the policy or choose to cancel your policy, we will refund the pro rata part of any premiums paid for periods beyond your death or cancellation. In addition, if you become eligible for Waiver of Premium, We will refund any outstanding credit with respect to the Waiver of Premium as described in Section 9 of this outline. In the event of death, any refund will be made within 30 days of our receipt of your death certificate and will be paid to your Beneficiary. If there is no named or living Beneficiary on the date of your death, any refund will be paid to your estate. In the event of your cancellation of the policy, any refund will be paid to you. In the event of an outstanding credit applicable to Waiver of Premium, any such refund will be paid upon the earlier of your death or your cancellation of the policy and will be paid to your Beneficiary, your estate or to you in the manner described above. The aggregate amount of all refunds paid upon your death or cancellation of the policy cannot exceed the total premiums you paid for your policy.

4. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE

If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from us. Neither LifeSecure Insurance Company nor its agents represent Medicare, the federal government, or any state government.

5. LONG TERM CARE COVERAGE

Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a Nursing Home, in the community, or in the home. This policy reimburses you for Covered Expenses for Qualified Long Term Care Services. In addition, this policy provides benefits for Home Modifications and Supplemental Products.

6. BENEFITS PROVIDED BY THIS POLICY / BENEFIT ELIGIBILITY

Benefit Descriptions and Coverage Amounts

Lifetime Benefit Amount – Your Lifetime Benefit Amount represents the lifetime dollar benefit amount available to you under the policy. Your Lifetime Benefit Amount balance is reduced by all benefit amounts paid to you, based on reimbursement for Covered Expenses for Qualified Long Term Care Services. The Lifetime Benefit Amount available to you range from: $75,000 to $1,000,000.

Maximum Monthly Benefit – Your Maximum Monthly Benefit represents the dollar benefit amount available to you on a monthly basis during a claim period. The original dollar amount is calculated as a percentage of your Lifetime Benefit Amount.

The Maximum Monthly Benefit percentages available to you are: 1%, 2% or 3% of the Lifetime Benefit Amount. (*Note*: The 3% choice is not available for Lifetime Benefit Amount amounts greater than $500,000.)

Example Illustration – Maximum Monthly Benefit (MMB) Calculation

Lifetime Benefit Amount		MMB (%)		MMB ($)
$300,000	X	1%	=	$3,000

Benefit Payout Structure – When you are eligible for benefits, we will reimburse you for Covered Expenses for Qualified Long Term Care Services (Facility Care or Home and Community Care), up to your Maximum Monthly Benefit each calendar month. All benefits payable to you under the policy must be pursuant to a written Plan of Care.

Facility Care Covered Expenses means Covered Expenses are expenses you incur for Qualified Long Term Care Services during your stay in a Nursing Facility, Residential Care Facility, or Hospice Care Facility for:

- room and board (including charges to reserve Your bed when You are absent for any reason except discharge);
- ancillary services;
- patient supplies provided by the Nursing Facility, Residential Care Facility, or Hospice Care Facility for care of its residents; and
- Hospice Care services.

Home and Community Care means Expenses payable for Qualified Long Term Care Services provided by a Home Health Care Agency or an Independent Provider (including Informal Caregiver services),at-home Hospice Care, or an Adult Day Care Center for:

- Home Health Care Services;
- Personal Care Services;
- Hospice Care Services;

- Care in an Adult Day Care Center;
- Homemaker Services; and
- Respite Care Services.

Elimination Period – You must satisfy an Elimination Period of 90 days before benefits are payable. The Elimination Period is the total number of days that you remain Chronically Ill before benefits are payable. It begins on the first day that we verify that you are Chronically Ill. The Elimination Period need be met only once during your lifetime. You do not need to be receiving Qualified Long Term Care Services in order to satisfy the Elimination Period. Any day on which we verify that you are Chronically Ill will count toward the Elimination Period.

Contingent Non-Forfeiture Benefit – *This is a standard feature unless you elect the Shortened Benefit Non-Forfeiture Option Rider as described below under Optional Benefits and Features.*

This benefit provides protection in the event of a substantial rate increase. If there is an increase in premium rates so that the cumulative amount of all premium rate increases is considered to be substantial, as determined by the schedule below, we will do all of the following:

- We will offer to reduce your current level of coverage without evidence of insurability so that the required premium for your coverage is not increased.
- We will offer to convert your coverage to a paid-up status with a lesser Lifetime Benefit Amount. This option may be elected at any time during the 120-day period following the date of the premium rate increase. Under this conversion option, the amount of your revised Lifetime Benefit Amount will be equal to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times your Maximum Monthly Benefit in effect at the time of conversion. Your Maximum Monthly Benefit will remain at the dollar amount in effect at the time of conversion, restricted only by the size of your revised Lifetime Benefit Amount. This conversion option may be elected at any time during the 120-day period following the effective date of the premium rate increase.
- We will notify you that a premium lapse at any time during the 120-day period following the effective date of the premium increase will be deemed to be the election of the preceding offer to convert your coverage to a paid-up status. A premium lapse is your failure to pay the required premiums within the 31-day grace period.

Please refer to the schedule below to determine whether or not a change in premiums constitutes a Substantial Premium Increase. Cumulative premium increases over original premium that will allow the Contingent Non-Forfeiture Benefit to be initiated appear in the chart. (Percentage increase is cumulative from date of original issue. It does NOT represent a one-time increase.)

Triggers for a Substantial Premium Increase

Issue Age	% Increase Over Initial Premium	Issue Age	% Increase Over Initial Premium	Issue Age	% Increase Over Initial Premium
29 and under	200%	66	48%	79	22%
30-34	190%	67	46%	80	20%
35-39	170%	68	44%	81	19%
40-44	150%	69	42%	82	18%
45-49	130%	70	40%	83	17%
50-54	110%	71	38%	84	16%
55-59	90%	72	36%	85	15%
60	70%	73	34%	86	14%
61	66%	74	32%	87	13%
62	62%	75	30%	88	12%
63	58%	76	28%	89	11%
64	54%	77	26%	90 and over	10%
65	50%	78	24%		

Supplemental Covered Expenses

Caregiver Training Benefit means training for an Informal Caregiver or Immediate Family Member which will be reimbursed up to 1X your Maximum Monthly Benefit over the life of the policy for actual charges you incur pursuant to the definition of Caregiver Training Benefit.

Home Modification and Supplemental Products Benefit means access to various services and products which will be reimbursed up to 1X Your Maximum Monthly Benefit over the life of the policy. Qualifying services or products that are included in this benefit are home modifications, emergency response systems, or Durable Medical Equipment which may be required by a Chronically Ill person in order to live at home.

All Supplemental Covered Expenses must be pursuant to a Plan of Care. Any benefits received under the Caregiver Training Benefit or the Home Modification & Supplemental Products Benefit may be paid in addition to the Maximum Monthly Benefit in the month(s) such Supplemental Covered Expenses are paid. Benefits received under either of these features will reduce Your Lifetime Benefit Amount.

Optional Benefits and Features

The following benefits and features are available to you as Riders under this policy.

Guaranteed Future Purchase Offer Rider – *This rider will be included with your policy unless you elect either the 3% Automatic Compound Benefit Increase Option Rider or 5% Automatic Compound Inflation Protection Benefit Rider, as described in Section 8 below.*

Under the Guaranteed Future Purchase Offer Rider, you will be offered the opportunity to increase your Maximum Monthly Benefit and Lifetime Benefit Amount every three years, subject to the conditions listed below.

Each offer to increase will be for 15% of the dollar amount of your current Maximum Monthly Benefit and the remaining dollar amount of your Lifetime Benefit Amount. This offer will be made beginning on the third anniversary of your policy effective date and every three years thereafter. You may elect to increase your coverage by the amount offered under this feature without submitting evidence of insurability. The premium for the amount of increased coverage will be based on your attained age, your original rate class, and our premium rate schedule as of the date the benefit increase offer is made to you.

We will notify you by mail or e-mail of the offer at least 60 days prior to the anniversary of the policy effective date. You may accept or decline the offer within 60 days after we send the notification. If we do not receive your acceptance of our offer within 60 days, we will deem this to be a declination of the offer. You may accept or decline ongoing offers to increase coverage each time an offer is made.

No further offers will be made if your policy is terminated, or if coverage is continuing in effect under: the Extension of Benefits; the Shortened Benefit Non-Forfeiture Option Rider, if any; or the Contingent Non-Forfeiture Benefit, if any. No further offers will be made: once you have attained age 84; during the Elimination Period; or if you meet the Eligibility Requirements for benefits.

Shortened Benefit Non-Forfeiture Option Rider – If you elect the Shortened Benefit Non-Forfeiture Option Rider, it will provide a continuation of your policy up to a specified dollar amount. If you elect it and your coverage terminates due to non-payment of premium on or after the third anniversary of this option and before your Lifetime Benefit Amount has been exhausted, the Shortened Benefit Non-Forfeiture Option Rider provides a paid-up continuation of your coverage with a lesser Lifetime Benefit Amount. The amount of your revised Lifetime Benefit Amount will be equal to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times your Maximum Monthly Benefit in effect at the time of lapse. Your Maximum Monthly Benefit will remain at the dollar amount in effect at the time of lapse, restricted only by the size of your revised Lifetime Benefit Amount. Your coverage under this option ends when the revised Lifetime Benefit Amount has been exhausted.

3% Automatic Compound Benefit Increase Option Rider Described in Section 8 below.

5% Automatic Compound Inflation Protection Benefit Rider Described in Section 8 below

Optional Premium Payment Modes

You may elect any one of the following limited-pay options to pay the premiums for your policy. (*Note*: Limited-pay options can only be elected with plan designs that include either the 3% Automatic Compound Benefit Increase Option Rider or 5% Automatic Compound Inflation Protection Benefit Rider).

10-Year Premium Payment Option – This option provides that your policy premiums may be paid over a ten-year period, after which no additional premiums will be due. Prior to the end of your tenth policy year, we have the right to change your premiums in accordance with the terms described in Section 9 below. In the event of a future benefit increase, a separate 10-year premium payment period will be applied for the increased benefit portion only, beginning on the effective date of the benefit increase.

To-Age-65 Premium Payment Option (*allowed only for issue ages 55 and under*) – This option provides that your policy premiums may be paid as due until the anniversary of the policy effective date following your 65th birthday, after which no additional premiums will be due. Prior to the policy anniversary date following your 65th birthday, we have the right to change your premiums in accordance with the terms described in Section 9 below. In the event of a future benefit increase, a separate 10-year premium payment period will be applied for the increased benefit portion only, beginning on the effective date of the benefit increase.

Eligibility Requirements For The Payment of Benefits for Qualified Long Term Care Services:

We will pay benefits under the policy when we verify that you meet all of the following conditions:

- You are Chronically Ill (refer to full definition in Section 13 below);
- You receive any service covered under the policy and provided pursuant to a written Plan of Care;
- Coverage under the policy is in force on the date(s) the care is received;
- You have satisfied the applicable Elimination Period;
- You have not exhausted your Lifetime Benefit Amount or your applicable Maximum Monthly Benefit; and
- You meet the additional policy requirements for the specific policy benefits you claim.

7. LIMITATIONS AND EXCLUSIONS

No benefits will be payable under this policy for:

- a loss that occurs while this policy is not in force; or
- an illness, treatment or medical condition that is due to war or act of war, whether declared or not; or
- an illness, treatment or medical condition that results from an attempt at suicide (while sane or insane) or an intentionally self-inflicted injury; or
- treatment related to alcoholism or drug addictions; or
- expenses for services or items to the extent that such expenses are reimbursable under Title XVIII of the Social Security Act (Medicare), or would be so reimbursable but for the application of a deductible or coinsurance amount; or
- care or services, unless otherwise required by law, for which benefits are duplicated or provided under a governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; or
- care or services provided by an immediate family member unless:
    - ✓ he or she is a regular employee of an organization which is providing the treatment, service or care; and
    - ✓ the organization receives the payment for the treatment, service or care; and
    - ✓ he or she receives no compensation other than the normal compensation for employees in his or her job category; or
- care or services for which no charge is made in the absence of insurance; or
- care or services provided outside the United States of America, its territories or possessions, or Canada.

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

8. RELATIONSHIP OF COST OF CARE AND BENEFITS

Because the costs of long term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted. You may elect one of the automatic inflation protection riders to increase your coverage. If you do not elect one of the automatic inflation protection options, your coverage will include the Guaranteed Future Purchase Offer Rider by default. Only increases taken in accordance with one of the options listed below do not require evidence of insurability. Increases taken in accordance with one of the inflation protection features listed below do not require future evidence of insurability.

Benefit Adjustment Provisions

3% Automatic Compound Benefit Increase Option Rider – If you elect the 3% Automatic Compound Benefit Increase Option Rider, we will increase your Maximum Monthly Benefit and the amount in your Lifetime Benefit Amount un-reduced by any benefits paid. The dollar amount of your current Lifetime Benefit Amount and Maximum Monthly Benefit will be increased each year by 3%. The increase will be effective on each anniversary of the policy effective date, even if you are receiving benefits. Annual compound inflation protection increases will terminate if your coverage is continuing in effect under: the Extension of Benefits; the Shortened Benefit Non-Forfeiture Option Rider, if any; or the Contingent Non-Forfeiture Benefit, if any.

5% Automatic Compound Inflation Protection Benefit Rider – If you elect the optional 5% Automatic Compound Inflation Protection Benefit Rider, we will increase your Maximum Monthly Benefit and the amount in your Lifetime Benefit Amount un-reduced by any benefits paid. The dollar amount of your current Lifetime Benefit Amount and Maximum Monthly Benefit will be increased each year by 5%. The increase will be effective on each anniversary of the policy effective date, even if you are receiving benefits. Annual compound inflation protection increases will terminate if your coverage is continuing in effect under: the Extension of Benefits; the Shortened Benefit Non-Forfeiture Option Rider, if any; or the Contingent Non-Forfeiture Benefit, if any.

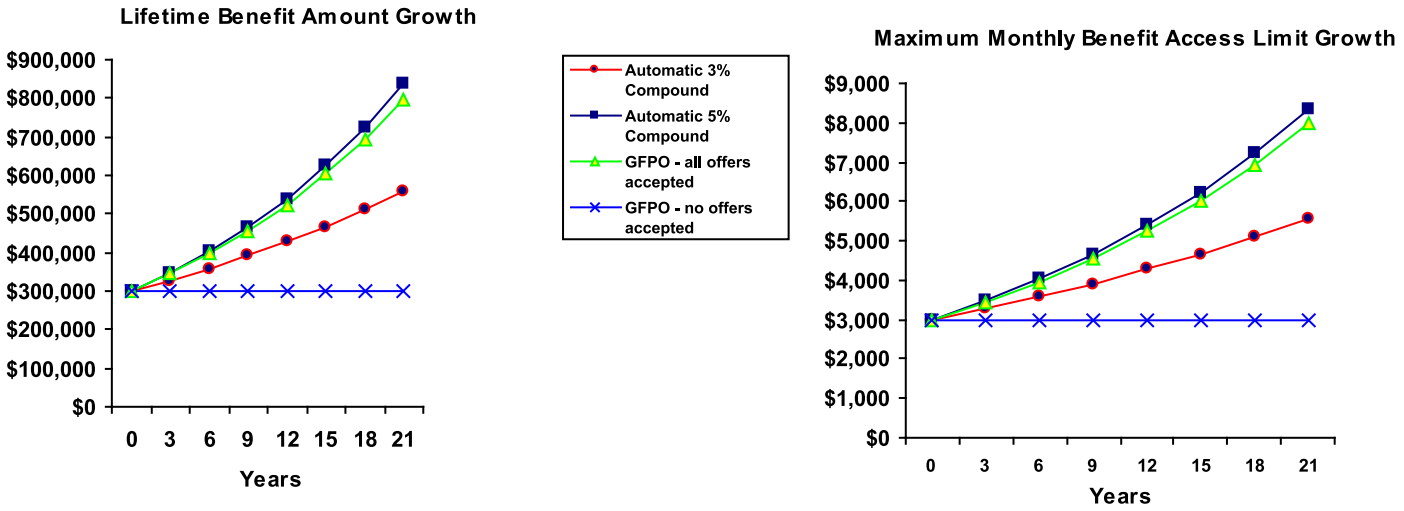
Guaranteed Future Purchase Offer Rider – If you do not select one of the optional automatic inflation protection benefit Riders described above, your coverage will include the Guaranteed Future Purchase Offer Rider, as described in Section 6 above.

Inflation Protection – Graphic Comparisons

The charts below compare and contrast the growth of an initial Lifetime Benefit Amount amount of $300,000 and a 1% Maximum Monthly Benefit ($3,000 initially) over a 21-year period, considering four variations:

1) a plan with the 3% Automatic Compound Benefit Increase Option Rider;
2) a plan with the 5% Automatic Compound Inflation Protection Benefit Rider;
3) a plan with Guaranteed Future Purchase Offer Rider where *all* such offers are accepted; and
4) a plan with Guaranteed Future Purchase Offer Rider where *no* such offers are accepted.

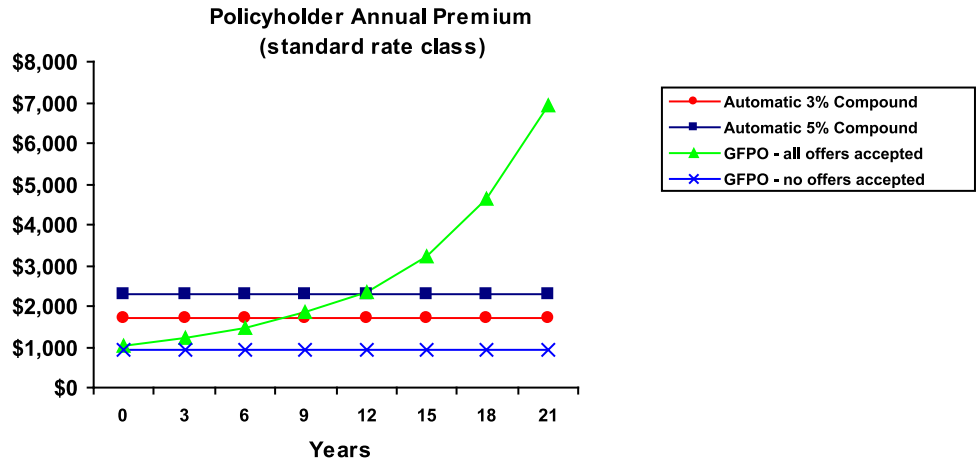
Example



The chart below compares and contrasts the annual premium applicable to a person who purchases a policy at 55 years of age with an initial Lifetime Benefit Amount amount of $300,000 and a 1% Maximum Monthly Benefit over a 21-year period, considering four variations:

1) a plan with the 3% Automatic Compound Benefit Increase Option Rider;
2) a plan with the 5% Automatic Compound Inflation Protection Benefit Rider;
3) a plan with Guaranteed Future Purchase Offer Rider where *all* such offers are accepted; and
4) a plan with Guaranteed Future Purchase Offer Rider where *no* such offers are accepted.

Example



9. TERMS UNDER WHICH THE POLICY MAY BE CONTINUED IN FORCE OR DISCONTINUED

Renewability – THIS POLICY IS GUARANTEED RENEWABLE. This means you have the right, subject to the terms of the policy, to continue the policy as long as premiums for your coverage are paid on time. LifeSecure Insurance Company cannot change any of the terms of your policy on its own, except that, in the future, WE MAY INCREASE THE PREMIUM YOU PAY.

Waiver of Premium – We will waive the payment of premium beginning on the first day you begin receiving benefits. As long as you continue to receive benefits, additional premiums will not be required. Premium payments will again be required after 30 days of not receiving benefits. We will credit or refund, on a pro rata basis, any premiums paid for periods in which Waiver of Premium is in effect. Any such refund will be made as described in the Refund of Premiums in Certain Cases paragraph of Section 3 above.

10. TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS

You cannot be singled out for a rate increase due to a change in your age or health status. We can, however, change premiums, but only if we change premiums for all similar policies issued in the same state and on the same form as your policy. Any premium changes will be effective on the next premium due date following our notice to you. If we ever increase your premium, you will have the option to reduce coverage in order to preserve the premium amount you had previously been paying. Changes in premiums will apply to all members of your rate class, which constitutes a single risk pool for the purposes of determining any future premium changes. Rate Class means a population segment classified by our actuaries as having similar characteristics, such as issue age, issue year, form number, rate classification, geographic area of residence and selected benefit options.

11. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS

Once your application for coverage under the policy is approved, the policy provides coverage for treatment of Alzheimer's disease, Parkinson's disease, senile dementia, and other forms of organic brain disease.

12. PREMIUM

Refer to the table below to find the premium applicable to the coverage amounts and policy design of your choice.

PREMIUM	**LIFETIME BENEFIT AMOUNT**: $ _____ **Maximum Monthly Benefit**: ____ %	
Premium Payment Mode • Annual • Semi-Annual • Quarterly • Monthly EFT • Monthly Credit Card • Bi-Weekly • Other Payroll Cycle	Base Policy Coverage Premium:	$ _____
	Shortened Benefit Non-Forfeiture Option Rider:	$ _____
	3% Automatic Compound Benefit Increase Option Rider	$ _____
	5% Automatic Compound Inflation Protection Benefit Rider	$ _____
	Total Annual Premium:	$ _____
Premium Payment Time Period • Lifetime • 10-years • To-Age-65	**Modal Premium (based on Mode & Time Period elected)**:	$ _____

13. ADDITIONAL FEATURES

Underwriting – Medical underwriting is required. We will underwrite your application by reviewing one or more of the following: the information submitted on your application; an attending physician's report; copies of your medical records; a medical evaluation; and an in-person interview.

Extension of Benefits – If your policy terminates due to failure to pay premium, we will recognize your basis for a claim for your confinement in a Hospice Care Facility, Nursing Facility or a Residential Care Facility before the date your policy ended in the same manner as if your policy was in force. Extension of Benefits stops on the earlier of the date when you no longer meet the Eligibility for the Payment of Benefits requirements; the date you are no longer Confined in a Nursing Facility or an Residential Care Facility; or the date your Lifetime Benefit Amount is exhausted.

Reinstatement Provision – If your coverage is terminated due to non-payment of premiums, you may apply for reinstatement by notifying us. We have the right to require evidence of insurability. If approved, the premium due from the date of the first unpaid premium must be paid, and coverage will be reinstated retroactive to the date of termination of coverage. We have the right to decline a request for reinstatement of coverage.

Added Protection Against Lapse – If your coverage terminates due to non-payment of premiums because you were Chronically Ill before the Grace Period expired, your coverage will be reinstated if we receive proof from a licensed health care practitioner (or other proof approved by us) that you were Chronically Ill. Such proof must be provided within 5 months of the

termination date. You must pay all past due premiums for the coverage that was in force immediately prior to the date of termination.

Federal Tax Consequences – This Policy for long term care insurance is intended to be a federally qualified long term care insurance contract and may qualify you for federal and state tax benefits.

DEFINITIONS

Activities of Daily Living: Each of the following functions are Activities of Daily Living:

Bathing: Washing oneself by sponge bath; or in either a tub or shower, including the task of getting into or out of the tub or shower.

Dressing: Putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.

Toileting: Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.

Transferring: Moving into or out of a bed, chair or wheelchair.

Continence: The ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag.)

Eating: Feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.

Adult Day Care: Medical or nonmedical care on a less than 24-hour basis, provided in a licensed Adult Day Care Center outside the residence, for persons in need of personal services, supervision, protection, or assistance in sustaining daily needs, including eating, bathing, dressing, ambulating, transferring, toileting, and taking medications.

Adult Day Care Center: A facility that is licensed, registered or certified to provide a planned program of Adult Day Care services by the state in which it operates. If the state does not license such facilities, then it must be operated pursuant to law and meet certain standards.

Application: The written or electronic application form provided by us and completed by you when you apply for coverage.

Beneficiary: The person designated by you to receive benefits, if any are payable, under the policy after your death, or to receive a refund of premiums paid beyond your death, if applicable.

Caregiver Training Benefit: Reimbursed up to 1X Your Maximum Monthly Benefit over the life of Your Policy.

Caregiver Training means training for an Informal Caregiver or an Immediate Family Member to perform Maintenance or Personal Care Services for You in Your Home. This training can take place while You are Home, or in a hospital, Nursing Facility, Hospice Care Facility or Residential Care Facility, to make it possible for You to return Home and be cared for by the person who received the training.

This Caregiver Training Benefit can be accessed during the Elimination Period.

Chronically Ill: You are Chronically Ill when you have been certified by a Licensed Health Care Practitioner as: a) being unable to perform, without Substantial Assistance from another person, at least two Activities of Daily Living for a period that is expected to last at least 90 consecutive days due to a loss of functional capacity; or b) requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment. You will not meet the definition of Chronically Ill unless within the preceding 12-month period a Licensed Health Care Practitioner has certified that you meet such requirements.

Substantial Assistance means either Hands-on Assistance or Standby Assistance.

Hands-on Assistance means the physical assistance of another person without which you would be unable to perform the Activity of Daily Living. **Standby Assistance** means the presence of another person, within your arm's reach, that is necessary to prevent, by physical intervention, your injury while you are performing the Activity of Daily Living.

Substantial Supervision means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect you from threats to your health or safety (including, but not limited to, such threats as may result from wandering.)

Confinement or Confined: A period of time You are a resident in a Nursing Facility or a Residential Care Facility during which a room and board charge is made.

Elimination Period: The total number of days that you remain Chronically Ill before benefits are payable. The Elimination Period begins on the first day that we verify you are Chronically Ill. Days more than 12 months prior to the date you submit your initial claim request will not count towards meeting the Elimination Period, even if it can be established that you were Chronically Ill at that time. The Elimination Period need only be met once during your lifetime. You do not have to be receiving Qualified Long Term Care Services in order to satisfy the Elimination Period. Any day on which we verify that you are Chronically Ill will count toward the Elimination Period.

Home Health Care Agency: An entity that: if licensing or certification is required, is licensed or certified as a Home Health Care Agency under the laws where it is located, or under a public health law or similar law, to provide Home Health Care Services; or is recognized as a Home Health Care Agency by Medicare; or meets all of the following: (a) be supervised by a qualified professional such as a Registered Nurse (RN), a licensed social worker, or a Physician; (b) keep clinical records or care plans on all patients; (c) provide ongoing supervision and training to its employees appropriate to the services to be provided; and (d) have the appropriate state licensure or certification to provide Home Health Care Services, where required.

Home Health Care Services: The following skilled nursing or other professional services provided in Your Home, including but not limited to: part-time or intermittent skilled nursing services; physical therapy; occupational therapy; speech therapy; audiology; medical social services by a social worker; or assistance with or performance of personal hygiene, Activities of Daily Living, medication management or other related supportive services.

Homemaker: A skilled or unskilled person who provided Homemaker Services and whose services are: arranged and supervised through a Home Health Care Agency; or if not provided through a Home Health Care Agency, are provided pursuant to a written Plan of Care.

Homemaker Services: Assistance with Instrumental Activities of Daily Living that is provided by a skilled or unskilled person under a Plan of Care, necessary to or consistent with Your ability to remain in the Home.

Home Modification & Supplemental Products Benefit: Services or Products required pursuant to a Plan of Care that include: home modifications, emergency response systems, or Durable Medical Equipment required by a Chronically Ill person in order to live at home.

Home modifications include, but are not limited to: building or installing an access ramp to Your home, widening doorways, installing grab bars in the bathroom or otherwise equipping Your home for greater safety or access related to your long term care impairment.

Hospice Care Facility: means a facility, unit in a facility, public or private agency unit of a public or private industry that meets federal certification requirements as a Hospice, or is comparably licensed under the laws where it is located, to provide care or management of the terminally ill.

Outside the state of California, a Hospice Care Facility provides a formal Hospice Services program directed by a Physician on an inpatient basis. A Hospice Care Facility must be licensed or certified by the state in which it is located, if such license is required. A Hospice Care Facility may be licensed as a Nursing Facility, Residential Care Facility, or other type of health care facility, except that Hospice Care Facility does not mean a hospital or clinic, a community living center or a place that provides residential care only.

Hospice Care Services: means outpatient services not paid by Medicare, that are designed to provide palliative care, alleviate the physical, emotional, social, and spiritual discomforts of an individual who is experiencing the last phases of life due to the existence of a Terminal Illness, and to provide supportive care to the primary caregiver and the family. Care may be provided by a skilled or unskilled person under a Plan of Care developed by a physician or a multidisciplinary team under medical direction.

Immediate Family Member: Your spouse/registered domestic partner (RDP), child, parent, or sibling.

Independent Provider: A home health aide, certified nursing assistant, Nurse, or physical, occupational, respiratory or speech therapist who is working independently and is not affiliated with a Home Care Agency. Such person must be licensed, registered or certified to provide Home Care Services and Maintenance or Personal Care Services by the state in which he or she is providing the services. An Independent Provider may also be an Informal Caregiver who is not required to be licensed in the state of California.

Informal Caregiver: A person who provides Maintenance or Personal Care Services, for which the person is not licensed. Members of Your immediate family are excluded as Informal Caregivers.

Instrumental Activities of Daily Living: The activities often performed by a person who is living independently in a community setting during the course of a normal day, such as using the telephone, managing medications, moving about outside, shopping for essentials, preparing meals, laundry, and light housekeeping.

Licensed Health Care Practitioner: Any of the following who is not a family member: a Physician (as defined in Section 1861(r)(1) of the Social Security Act); a registered professional nurse; a licensed social worker; or any other individual who meets such requirements as may be prescribed by the Secretary of the Treasury of the United States. A Licensed Health Care Practitioner is responsible for assessing long term care service needs; developing a Plan of Care; coordination of Long Term Care services; implementing the Plan of Care; monitoring and reassessing the Plan of Care as needed.

Lifetime Benefit Amount: The overall maximum benefit amount payable under the policy. This amount decreases for benefits paid and increases for applicable optional inflation protection benefits (if elected by you), Guaranteed Future Purchase Offers that are accepted, and underwritten coverage amount increases.

Maintenance or Personal Care Services: Assistance with the Activities of Daily Living, including the Instrumental Activities of Daily Living, provided by a skilled or unskilled person under a Plan of Care developed by a physician or a multidisciplinary team under medical direction.

Medicare: The "Health Insurance for the Aged Act," Title XVIII of the Social Security Amendments of 1965 as then constituted or later amended, or Title I, Part I of Public Law 89-97, as enacted by the 89th Congress of the United States of America and popularly known as the Health Insurance for the Aged Act, as then constituted and any later amendments or substitutes thereof, or words of similar import.

Nursing Facility: A facility or distinctly separate part of a hospital or institution that is duly licensed or complies with the state's facility licensing requirements to engage primarily in providing nursing care to inpatients under a Plan of Care prescribed by a Licensed Health Care Practitioner. A Nursing Facility provides 24 hour-a-day nursing care by a Nurse under the supervision of a Registered Graduate Nurse (RN). Nursing Facility also means a facility that is licensed as a specialized Alzheimer's Unit in all states where such licensure exists.

Personal Care: Assistance with the Activities of Daily Living including the Instrumental Activities of Daily Living, provided by a skilled or unskilled person under a plan of care developed by a physician or a multidisciplinary team under medical direction.

Physician: A doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the state in which he or she performs such function or action.

Plan of Care: A written individualized plan of services prescribed by a Licensed Health Care Practitioner. The Plan of Care specifies your long term care needs and the type, frequency, and providers of the services appropriate to meet those needs and the costs, if any, of those services. The Plan of Care will be modified as required to reflect changes in: your functional or cognitive abilities, your social situation, and your care service needs.

Qualified Long Term Care Services: Necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services and Maintenance or Personal Care Services which are required by a Chronically Ill individual and are provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

Residential Care Facility: A facility licensed as a residential care facility for the elderly or a residential care facility as defined in the Health and Safety Code. Outside of California, eligible providers are facilities that meet applicable licensure standards, if any, and are engaged in primarily providing care and related services sufficient to support needs resulting from impairment in Activities of Daily Living or impairment in cognitive ability; and meets all of the following:

- provides services and care on a 24-hour basis sufficient to support the needs resulting from the inability to perform Activities of Daily Living or from a Severe Cognitive Impairment;
- has trained and ready-to-respond personnel actively on duty in the facility at all times to provide services and care;
- provides three meals a day and accommodates special dietary needs;
- has formal arrangements with a Physician or Nurse to furnish medical care in case of an emergency; and
- has appropriate procedures to provide onsite assistance with prescription medications.

Residential Care Facility also means a facility that is licensed as a specialized Alzheimer's unit in a state where such licensure exists.

If a facility has multiple licenses, a portion, wing, ward, or unit will qualify as a Residential Care Facility only if it is engaged primarily in providing care and services that meet all of the above criteria.

Respite Care: Short-term care provided in an institution, in the home, or in a community-based program, that is designed to relieve a primary care giver.

Severe Cognitive Impairment: A loss or deterioration in intellectual capacity that is comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia and is measured by clinical evidence and standardized tests that reliably measure impairment in your: short-term or long term memory; orientation as to people, places or time; and deductive or abstract reasoning.

Usual and Customary Charges: amounts customarily charged in a given geographic region for similar forms of care, services and/or products which are recognized to effectively support the long term care needs of a Chronically Ill individual, as recommended by a Licensed Health Care Practitioner.

14. INFORMATION AND COUNSELING

The California Department of Insurance has prepared a Consumer Guide to Long Term Care Insurance. This guide can be obtained by calling the Department of Insurance toll-free telephone number. This number is 1-800-927-HELP. Additionally, the Health Insurance Counseling and Advocacy Program (HICAP) administered by the California Department of Aging, provides long term care insurance counseling to California senior citizens. Call the HICAP toll-free telephone number 1-800-434-0222 for a referral to your local HICAP office.