



**Los Angeles Police Relief Association, Inc.**

Your Group Long Term Care Plan

Policy No. 96797 012

Nursing Facility, Residential Care Facility & Home & Community Based Care

Underwritten by Unum Life Insurance Company of America

6/19/2012



**CERTIFICATE OF COVERAGE**  
**COMPREHENSIVE LONG TERM CARE INSURANCE**  
**Nursing Facility, Residential Care Facility & Home & Community Based Care**

This Certificate of Coverage is part of the entire policy. This Certificate is subject to the terms and conditions stated on the attached pages, all of which terms and conditions are part of the policy. The policy determines governing contractual provisions and is available for viewing at the Policyholder's office and will be copied for you upon request at no cost. This Certificate is evidence of your coverage under the policy. It describes the benefits, coverage, exclusions and limitations of the policy that principally affect you. This Certificate is of value to you. Please keep it in a safe place.

"Certificate" means this certificate and any riders attached to this certificate.

**IMPORTANT INFORMATION ABOUT YOUR APPLICATION**

**Caution:** If you were required to complete a Long Term Care Insurance Application in connection with your request to obtain coverage, the issuance of this Certificate is based upon your responses to the questions on your application and any medical exam, tests or other questionnaires, including a face-to-face assessment. A copy of your Long Term Care Insurance Application was retained by you when you applied. **If your responses are incorrect or untrue, we may have the right to deny benefits or rescind your coverage.** The best time to clear up any questions is now, before a claim arises. If, for any reason, any of your answers are incorrect, contact us at the address listed below.

**NOTICE TO BUYER**

**THE POLICY IS INTENDED TO BE A FEDERALLY QUALIFIED LONG TERM CARE INSURANCE CONTRACT AND MAY QUALIFY YOU FOR FEDERAL AND STATE TAX BENEFITS.**

**THIS CERTIFICATE IS AN APPROVED CERTIFICATE UNDER CALIFORNIA LAW AND REGULATIONS. HOWEVER, THE BENEFITS PAYABLE BY THIS CERTIFICATE WILL NOT QUALIFY FOR MEDI-CAL ASSET PROTECTION UNDER THE CALIFORNIA PARTNERSHIP FOR LONG TERM CARE. FOR INFORMATION ABOUT POLICIES AND CERTIFICATES QUALIFYING UNDER THE CALIFORNIA PARTNERSHIP FOR LONG TERM CARE, CALL THE HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM AT THE TOLL-FREE NUMBER, 1-800-434-0222.**

This Certificate may not cover all the costs associated with long term care incurred by you during the period of coverage. You are advised to review carefully all coverage limitations.

This Certificate is not a Medicare Supplement Certificate. If you are eligible for Medicare, review the Guide to Health Insurance For People with Medicare available from us.

We are not representing Medicare, the federal government or any state government.

**GUARANTEED RENEWABLE**

The policy takes effect on the Policy Effective Date shown on the face page of the policy and continues until the end of the period for which the first premium has been paid. The Policyholder may renew the policy on each Policy Anniversary by paying each premium before its Grace Period ends. We reserve the right to change the premiums for the policy. We cannot change any of the terms of the policy or decline to renew it on our own; except that we may, in accordance with the provisions of the policy, and upon prior approval of the California Department of Insurance, change the premium rates for all insured with the same policy form number and in the same Class. A Class is a group of policies issued to individuals who share certain characteristics. The characteristics are based on the state where the policyholders live or the year of issue. Any change in premium will be effective on the Policy Anniversary Date. Written notification will be sent to the Policyholder at least 31 days in advance. We cannot discontinue the policy except where required by law or as a result of nonpayment of premium or other causes as described in the Policy Termination section of the policy.

"Grace Period" means the 60 days immediately following any Premium Due Date during which premium payment must be made.

"Policyholder" means the entity to which the policy is issued.

"Policy Effective Date" means the date the policy begins. The Policy Effective Date is shown on the face page of the policy.

The terms "you" and "your" refer to the insured named in your **Schedule of Benefits**. The insured cannot be changed.

"Unum", "we", "us", and "our" mean Unum Life Insurance Company of America.

### **30 DAY RIGHT TO EXAMINE YOUR CERTIFICATE**

You may cancel this Certificate for any reason within 30 days after it is delivered to you or your representative. Simply return this Certificate, within 30 days of its receipt, to the Policyholder's plan administrator or Unum. If this is done, this Certificate will be canceled from the beginning, and all of the premium paid will be refunded.

### **EFFECTIVE DATE**

For purposes of effective dates and ending dates under the group policy, all days begin at 12:01 a.m. and end at 12:00 midnight at the Policyholder's address.

Underwritten by  
Unum Life Insurance Company of America

Mailing Address  
2211 Congress Street, Portland, Maine, 04122



Secretary



President

## **CALIFORNIA DISCLOSURE NOTICE**

**GENERAL QUESTIONS:** If you have any general questions about your insurance, you may contact the Insurance Company by:

**CALLING:**

1-800-227-4165

(Customer Information Call Center)

- OR -

**WRITING TO:**

Unum Life Insurance Company of America

2211 Congress Street

Portland, Maine 04122

**COMPLAINTS:** If a complaint arises about your insurance, you may contact the Insurance Company by:

**CALLING:**

1-800-321-3889

(Compliance Center Complaint Line)

- OR -

**WRITING TO:**

Chief Compliance Officer

Unum Life Insurance Company of America

2211 Congress Street

Portland, Maine 04122

### **WHEN CALLING OR WRITING TO THE INSURANCE COMPANY, PLEASE PROVIDE YOUR POLICY NUMBER**

If the Policy was issued or delivered by an agent or broker, please contact your agent or broker for assistance.

You also can contact the California Department of Insurance. However, the California Department of Insurance should be contacted only after discussions with the Insurance Company or its agent or other representative, or both, have failed to produce a satisfactory resolution to the problem.

Department of Insurance  
Consumer Communications Bureau  
300 South Spring Street - South Tower  
Los Angeles, California 90013  
In-State Toll Free Hotline Telephone Number: 1-800-927-4357  
Local Telephone Number: 213-897-8921  
Office Hours: 8:00 a.m. - 5:00 p.m.

This form is for contact information only, and it is not to be considered a condition for the Policy.

## TABLE OF CONTENTS

|   |               |
|---|---------------|
| CERTIFICATE OF COVERAGE .....                     | CERT OF COV-1 |
| IMPORTANT INFORMATION ABOUT YOUR APPLICATION..... | CERT OF COV-1 |
| NOTICE TO BUYER .....                             | CERT OF COV-1 |
| GUARANTEED RENEWABLE .....                        | CERT OF COV-1 |
| 30 DAY RIGHT TO EXAMINE YOUR CERTIFICATE .....    | CERT OF COV-2 |
| EFFECTIVE DATE.....                               | CERT OF COV-2 |
| CALIFORNIA DISCLOSURE NOTICE.....                 | CERT OF COV-3 |
| BENEFITS AT A GLANCE .....                        | B@G-1         |
| THE CERTIFICATE OF COVERAGE .....                 | CERTIFICATE-1 |
| ELIGIBILITY FOR COVERAGE.....                     | CERTIFICATE-1 |
| APPLICATION AND ENROLLMENT FOR COVERAGE .....     | CERTIFICATE-2 |
| COVERAGE EFFECTIVE DATE .....                     | CERTIFICATE-2 |
| INCREASES IN COVERAGE .....                       | CERTIFICATE-2 |
| OPTION TO LOWER PREMIUM AND REDUCE COVERAGE.....  | CERTIFICATE-2 |
| BENEFIT PROVISIONS .....                          | BENEFIT-1     |
| ELIGIBILITY FOR BENEFITS.....                     | BENEFIT-1     |
| CONDITIONS FOR PAYMENT OF BENEFITS.....           | BENEFIT-1     |
| LIMITATIONS ON PAYMENT OF BENEFITS.....           | BENEFIT-3     |
| FACILITY BENEFIT PAYMENT.....                     | BENEFIT-3     |
| AMOUNT OF FACILITY MONTHLY BENEFIT.....           | BENEFIT-3     |
| HOME CARE BENEFIT PAYMENT.....                    | BENEFIT-3     |
| AMOUNT OF HOME CARE MONTHLY BENEFIT.....          | BENEFIT-5     |
| BED RESERVATION BENEFIT.....                      | BENEFIT-6     |
| RESPIRE CARE BENEFIT .....                        | BENEFIT-6     |
| INTERNATIONAL BENEFITS.....                       | BENEFIT-6     |
| LIMITATIONS AND EXCLUSIONS .....                  | EXCLUSIONS-1  |
| PLAN EXCLUSIONS.....                              | EXCLUSIONS-1  |
| GENERAL.....                                      | GENERAL-1     |
| ENTIRE CONTRACT .....                             | GENERAL-1     |

INCONTESTABLE CLAUSE ..... GENERAL-1

GRACE PERIOD..... GENERAL-1

REINSTATEMENT..... GENERAL-2

CLAIM INFORMATION ..... CLAIM-1

NOTICE OF CLAIM..... CLAIM-1

CLAIM FORM ..... CLAIM-1

PROOFS OF LOSS..... CLAIM-1

TIME PAYMENT OF CLAIM..... CLAIM-1

PAYMENT OF CLAIM ..... CLAIM-1

PHYSICAL EXAMINATIONS ..... CLAIM-2

LIMITATIONS OF ACTIONS ON THE POLICY..... CLAIM-2

RIGHT OF APPEAL ..... CLAIM-2

PREMIUM INFORMATION..... PREMIUM-1

PREMIUM DUE DATES AND PAYMENTS..... PREMIUM-1

WAIVER OF PREMIUM ..... PREMIUM-1

REFUND OF PREMIUM AFTER DEATH..... PREMIUM-1

REFUND OF PREMIUM DUE TO CANCELLATION OF COVERAGE..... PREMIUM-1

RENEWABILITY AND TERMINATION OF COVERAGE..... TERMINATION-1

POLICY RENEWABILITY..... TERMINATION-1

TERMINATION OF BENEFITS..... TERMINATION-1

TERMINATION OF COVERAGE ..... TERMINATION-1

EXTENSION OF BENEFITS..... TERMINATION-1

CONTINUATION OF COVERAGE ..... TERMINATION-1

ADMINISTRATION PROVISIONS ..... ADMIN-1

MISSTATEMENT OF AGE ..... ADMIN-1

WORKERS' COMPENSATION OR STATE DISABILITY INSURANCE ..... ADMIN-1

AGENT ..... ADMIN-1

CONFORMITY WITH FEDERAL STATUTES ..... ADMIN-1

CONFORMITY WITH STATE STATUTES..... ADMIN-1

TAX NOTE..... ADMIN-1

ADDITIONAL BENEFITS..... ADDLBEN-1

## **BENEFITS AT A GLANCE** **Long Term Care Insurance**

This long term care plan pays benefits if you suffer a Chronic Illness.

**POLICYHOLDER:** Los Angeles Police Relief Association, Inc.

**POLICYHOLDER'S ORIGINAL  
PLAN EFFECTIVE DATE:** July 1, 2012

**POLICY NUMBER:** 96797 012

**ELIGIBLE GROUP(S):**

Retired LAPRA PRA Members and their Family Members

**FACILITY MONTHLY BENEFIT:**

**For eligible Retirees:**

\$1,500 - \$8,500 per month in \$1,000 increments

**For all other eligible persons:**

\$1,500 - \$8,500 per month in \$1,000 increments

**BENEFIT DURATION:**

**Choice A**  
2 years

**Choice B**  
5 years

**Choice C**  
Lifetime

**HOME CARE BENEFIT:**

**Home and Community Based Care Benefits**

100% of the Facility Monthly Benefit

**ADDITIONAL BENEFITS:**

**Each of the following benefit(s) is optional:**

Inflation Protection - 5% Compound  
Benefit Increase - 5% Simple

**ELIMINATION PERIOD:**

90 accumulated days. The Elimination Period must be satisfied within a period of 730 consecutive days. Benefits begin the day after the Elimination Period is completed.



**WHO PAYS FOR THE COVERAGE:****For eligible Retirees:**

You pay the cost of your coverage.

**For all other eligible persons:**

You pay the cost of your coverage.

**APPLICATION LIMITS:****For Retirees and all other eligible persons:**

You must always submit a Long Term Care Application and provide, at your own expense, an Application satisfactory to us.

**WAIVER OF PREMIUM:**

No premium payments are required for your coverage while you are receiving monthly benefit payments under this policy.

**OTHER FEATURES:**

Bed Reservation  
Respite Care  
Continuation of Coverage

Not all the facilities where you may receive Qualified Long Term Care Services have separate licensing or certification requirements in the State of California. There may be such requirements for facilities outside the State of California.

This is not intended to be a complete description of the Long Term Care policy. This policy has exclusions and limitations that may affect any benefits payable. For complete details of coverage, refer to your Certificate of Coverage.

# THE CERTIFICATE OF COVERAGE

## ELIGIBILITY FOR COVERAGE

### Retiree

"Retiree" means a person who is a retired member in good standing of the Association and who is in a class of persons eligible for coverage as determined by the Policyholder and is residing in the United States, its territories or possessions.

Although you may be eligible for coverage, your coverage will not begin until the date shown on your **Schedule of Benefits**, subject to the timely payment of premium for your coverage.

### Eligible Family Members

If you are an Eligible Family Member, you will be eligible to apply for coverage on the later of:

- the Policy Effective Date; or
- the date the Retiree is eligible to apply for coverage.

A registered domestic partner is the person named in a declaration of domestic partnership filed with the Secretary of State of California.

"Eligible Family Member" means a person ages 18 through 80 who is in a class of persons eligible for coverage as determined by the Policyholder and us and is residing in the United States, its territories or possessions and who is:

- the legally married spouse or registered domestic partner of a Retiree.
- the natural, adoptive or step parents of a Retiree or spouse or registered domestic partner.
- the natural, adoptive or step grandparents of a Retiree or spouse or registered domestic partner.
- the natural, adoptive or step siblings of a Retiree or spouse or registered domestic partner.
- the spouse or registered domestic partner of the Retiree's natural, adoptive or step siblings.
- the spouse or registered domestic partner of the Retiree's spouse's or registered domestic partner's natural, adoptive or step siblings.
- the natural, adoptive or step adult children of a Retiree.
- the spouse or registered domestic partner of a natural, adoptive or step adult child of a Retiree.

Eligible Family Members who are eligible for coverage as a Retiree are only eligible for coverage as a Retiree.

## APPLICATION AND ENROLLMENT FOR COVERAGE

### Retirees and Eligible Family Members

You can apply for coverage at any time after the date you become eligible for coverage by completing the benefit election form and the Long Term Care Insurance Application. These forms can be obtained from the Policyholder or Unum.

## COVERAGE EFFECTIVE DATE

Your coverage will begin at 12:01 a.m. on the date Unum approves your Long Term Care Insurance application.

Your Coverage Effective Date will be the date shown in your **Schedule of Benefits** subject to the timely payment of premium for your coverage.

"Coverage Effective Date" means the date your coverage begins. Your Coverage Effective Date is shown on your **Schedule of Benefits**.

## **INCREASES IN COVERAGE**

After your coverage is in force, you can apply to increase coverage, based on the benefits available as shown in the **Benefits at a Glance**, by sending us a new benefit election form and a Long Term Care Insurance Application.

No increased or additional coverage will become effective unless we approve your Long Term Care Insurance Application for such change. If we approve your changes in coverage, you must pay the new premium due. You will be notified of the new premium due amount and the date it is due.

You may apply for increases in coverage at any time. Premiums currently charged may be adjusted due to changes or increases in coverage. Upon approval, the change(s) you requested will replace existing benefit option(s) or your benefit duration.

## **OPTION TO LOWER PREMIUM AND REDUCE COVERAGE**

You have the right, exercisable any time after the first year your coverage has been in force, to lower your premium. You may do so in one of the following ways:

- reduce your Lifetime Maximum Benefit Amount (shown in the **Benefits at a Glance**); or
- reduce your Facility Monthly Amount (shown in the **Benefits at a Glance**).

To apply for a decrease in coverage, you must complete and submit a policy change application. The premium rate to be paid for any decreases in coverage will be based on your age at the time your original policy was issued.

## BENEFIT PROVISIONS

### ELIGIBILITY FOR BENEFITS

You will be eligible for a benefit if, on or after the effective date of your coverage and while your coverage is in effect, you become Chronically Ill.

### CONDITIONS FOR PAYMENT OF BENEFITS

To receive benefits under the policy, the following conditions must be met:

- you must satisfy the Elimination Period, if applicable;
- you must be receiving Qualified Long Term Care Services;
- the treatment for your Chronic Illness must be provided pursuant to a written Plan of Care; and
- we must approve your claim.

The policy is intended to be a qualified long term care insurance policy under Section 7702B(b) of the Internal Revenue Code of 1986, as amended. You must also provide us a Licensed Health Care Practitioner's Certification that you are unable to perform (without Substantial Assistance from another individual) two (2) or more Activities of Daily Living for a period of at least 90 days, or that you require Substantial Supervision by another individual to protect you from threats to your health or safety due to Severe Cognitive Impairment.

You will be required to submit a Licensed Health Care Practitioner's Certification every 12 months.

We will pay a benefit to you once all these requirements are met.

"Activities of Daily Living" (ADLs) are:

- Eating means feeding oneself by getting food into the body from a receptacle (such as a plate or cup) or by a feeding tube or intravenously.
- Bathing means 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.
- Continence means the ability to maintain control of bowel or 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).
- Dressing means putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- Toileting means getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- Transferring means the ability to move into and out of a bed, a chair, or wheelchair.

"Chronic Illness" and "Chronically Ill" mean:

- you are unable to perform, without Substantial Assistance from another individual, two (2) or more Activities of Daily Living; or
- you require Substantial Supervision by another individual to protect you from threats to your health and safety due to Severe Cognitive Impairment.

"Elimination Period" means the number of days during which you are Chronically Ill and you are receiving services appropriate for your Chronic Illness, but no benefit is payable. The care or services must be provided in a Facility; or by/through a Licensed Home Health Care Agency; in an Adult Day Care Facility; or by a Licensed Home Health Care Professional.

Each calendar week during which you receive at least one (1) day of Home Care Services will be counted as seven (7) days towards the completion of your Elimination Period.

Once you are Chronically Ill, your Elimination Period must be completed within a period of 730 days. You must satisfy your Elimination Period only once during the lifetime of the policy. The number of days in your Elimination Period is shown in your **Schedule of Benefits**.

"Immediate Family Member" includes you, your spouse or registered domestic partner and anyone related to you as a parent, child, sister or brother.

"Licensed Health Care Practitioner" means any Physician, a registered professional nurse, a licensed social worker, or any other individual who meets such requirements as may be prescribed by the Secretary of Treasury. We will not recognize an Immediate Family Member as a Licensed Health Care Practitioner for claims that you make to us under this Policy.

"Licensed Health Care Practitioner's Certification" means a written certification provided by a Licensed Health Care Practitioner that you are unable to perform (without Substantial Assistance from another individual) two (2) or more Activities of Daily Living for a period of at least 90 days, or that you require Substantial Supervision by another individual to protect you from threats to your health or safety due to Severe Cognitive Impairment.

"Physician" means a doctor of medicine or osteopathy licensed to practice medicine and surgery by the state in which he or she performs such function or action. We will not recognize an Immediate Family Member as a Physician for claims that you make to us under the policy.

"Plan of Care" means a program of treatment or care. It must be developed by your Physician, multi-disciplinary team or a Licensed Health Care Practitioner and approved in writing by your Physician before the start of home care services. The Plan of Care is subject to updating in writing no more often than every 60 days. The insured will be responsible for submitting:

- the Licensed Health Care Practitioner approved Plan of Care; and
- the updates of such plan.

"Qualified Long Term Care Services" means necessary diagnostic, preventive, therapeutic, curing, treating, mitigating and rehabilitative services, and maintenance or personal care services that are required by you. The services must be for your Chronic Illness and provided pursuant to a written Plan of Care; and you must obtain a Licensed Health Care Practitioner's Certification. You must be receiving Qualified Long Term Care Services in a Facility or receiving a Home Care Monthly Benefit.

"Severe Cognitive Impairment" means a severe deterioration or loss in your short or long term memory; your orientation as to person, place, or time; or your deductive or abstract reasoning as reliably measured by clinical evidence and standardized tests. Such loss can result from a sickness, injury, advanced age, Alzheimer's disease, or similar form of dementia.

This policy **does cover** losses from conditions that are physical in nature, such as Parkinson's disease, Alzheimer's disease, multi-infarct dementia, brain injury, brain tumors and conditions that are psychological, psychiatric or mental regardless of cause, or any other conditions that are usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs or similar methods of treatment.

"Substantial Assistance" means stand-by or hands-on assistance without which you would not be able to safely and completely perform the ADL. Stand-by assistance means the presence of another person within arm's reach of you while you are performing the ADL. Hands-on assistance means physical assistance (minimal, moderate, or maximal) without which you would not be able to perform the ADL.

"Substantial Supervision" means continual supervision (which may include cueing by verbal prompting, gestures or other demonstrations) by another individual for the purpose of protecting you from threats to your health or safety.

## LIMITATIONS ON PAYMENT OF BENEFITS

We will not pay benefits in excess of the coverage you chose as shown in your **Schedule of Benefits**. Benefits paid will reduce your Lifetime Maximum Benefit, and will no longer be available once your Lifetime Maximum Benefit has been reached. We will not pay benefits for Qualified Long Term Care Services you receive during the Elimination Period, except as described in the Respite Care Benefit provision. The policy only pays benefits if you are receiving Qualified Long Term Care Services.

"Lifetime Maximum Benefit" means the total dollar amount of benefits that will be paid under the policy, as shown in your **Schedule of Benefits**. Your Lifetime Maximum Benefit will be adjusted to include any Benefit Increase or Inflation Protection increases, if applicable.

## FACILITY BENEFIT PAYMENT

### If you are eligible for a Facility Monthly Benefit:

You must give us proof that you are receiving Qualified Long Term Care Services in a Facility before a Facility Monthly Benefit will be paid. If you are eligible for benefits for a period of less than one (1) month, we will pay you 1/30th of the Facility Monthly Benefit for each day that you are Chronically Ill and receiving Qualified Long Term Care Services in a Facility.

## AMOUNT OF FACILITY MONTHLY BENEFIT

The amount of your Facility Monthly Benefit is shown in your **Schedule of Benefits**.

"Facility Monthly Benefit" means the Facility Monthly Benefit amount shown in your **Schedule of Benefits**.

## HOME CARE BENEFIT PAYMENT

### If you are eligible for a Home Care Monthly Benefit: Home and Community Based Care Benefits

We will pay 1/30th of the Home Care Monthly Benefit shown in your **Schedule of Benefits** for each day you are receiving Home Care Services. Home Care Services you receive may be provided anywhere other than a Facility, acute care facility or other location excluded by the policy.

You must give us written proof indicating days of Home Care Services provided to you before a benefit will be paid. We will also require a copy of the Licensed Home Health Care Agency's state license, if applicable, or the Licensed Home Health Care Professional's state license to practice in his/her respective field prior to payment of benefits.

"Home Care Services" means that for at least one (1) hour or more per day, you receive Qualified Long Term Care Services anywhere other than a Nursing or Residential Care Facility or acute care hospital. The care, treatment or services you receive for your Chronic Illness must be provided pursuant to a Plan of Care. This care can be provided at any type of facility such as an Adult Day Care Facility or your home by a home care provider or a Licensed Home Health Care Professional, who are not an Immediate Family Member.

Home Care Services may include:

- "Adult Day Care" means medical or non-medical care on a less than 24-hour basis, provided in a licensed facility outside your residence, for persons in need of personal services, supervision, protection or assistance in sustaining daily needs, including eating, bathing, dressing, transferring, toileting and taking medications.
- "Home Health Care" means skilled nursing or other professional services in the residence, including, but not limited to, part-time and intermittent skilled nursing services, home health aid

services, physical therapy, occupational therapy, or speech therapy and audiology services, and medical social services by a social worker.

- "Homemaker Services" means assistance with activities necessary to or consistent with your ability to remain living in your residence. Homemaker Services may be provided by skilled or unskilled persons, excluding your Immediate Family Members, under a Plan of Care.
- "Hospice Services" mean inpatient or 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 disease, and to provide supportive care to the primary caregiver and the family. Care may be provided by a skilled or unskilled person (excluding Immediate Family Members) under a Plan of Care.
- "Personal Care" means assistance with ADLs, including the instrumental ADLs, provided by a skilled or unskilled person (excluding Immediate Family Members) under a Plan of Care. The instrumental ADLs include using the telephone, managing medications, moving about outside, shopping for essentials, preparing meals, laundry and light housekeeping.
- "Respite Care" means short-term or periodic Qualified Long Term Care Services provided in an institution, in the home or in a community-based program, that is designed to give temporary relief to your primary informal caregiver from his or her caregiving duties. Care may be provided by a skilled or unskilled person under a Plan of Care.

Home Care Services do not include services by providers that are not licensed or certified, when such services require licensing or certification under the laws of the state where the services are provided.

Home Care Services do not include services performed by your Immediate Family Members either directly to you or through a Home Care Provider or an Adult Day Care Facility.

"Adult Day Care Facility" is a facility that provides Adult Day Care and operates under state licensing laws and any other laws that apply.

"Alzheimer's Facility" means a facility for the care and treatment of Alzheimer's disease patients.

"Facility" means a Nursing Facility, a Residential Care Facility, a Hospice Facility, an Alzheimer's Facility or a Rehabilitation Facility.

"Home Care Provider" can be any of the following:

- a skilled or unskilled person appropriately licensed or certified by the state, if licensing or certification is required, to provide services under a Plan of Care, whether or not the person works for an agency or organization; or
- an organization that is licensed or certified by the appropriate licensing agency of the state where Home Care will be provided; or certified as a home care organization as defined under Medicare; or
- any other organization that meets all of the following tests:
  - primarily provides nursing care and other therapeutic services;
  - has standards, policies and rules established by a professional group which is associated with the organization;
  - includes at least one (1) Physician and one (1) registered nurse;
  - maintains a written record of care on each patient; and
  - includes a Plan of Care and record of services provided; or
- a similar organization approved by us.

Such licensed personnel are not necessary for the Homemaker Services, Hospice Services, Personal Care and Respite Care and that unskilled unlicensed persons may perform these duties, whether or not the person works for an agency or organization.

"Hospice Facility" is a facility that provides a formal program of care for terminally ill patients whose life expectancy is less than one (1) year, provided on an inpatient basis and directed by a physician. It must be licensed, accredited, certified or registered in accordance with state law.

"Licensed Home Health Care Professional" is a licensed therapist, a registered nurse, a licensed practical nurse or a licensed vocational nurse operating within the scope of his or her license, and/or a certified Hospice caregiver. A Licensed Home Health Care Professional must work from a written Plan of Care and maintain patient records. Such licensed personnel are not necessary for the Homemaker Services, Hospice Services, Personal Care and Respite Care and that unskilled unlicensed persons may perform these duties.

"Nursing Facility" means:

- a facility, a swing type bed, or a distinctly separate part of a hospital, that is licensed or certified as a nursing facility (if licensing or certification is required) or operates under the law as a nursing facility to provide skilled or intermediate nursing care and custodial care and operates under state licensing laws and any other laws that apply; or
- any other facility that meets all of the following tests:
  - is operated as a health care facility under applicable state licensing laws and any other laws;
  - primarily provides nursing care under the orders of a Physician;
  - operates under the supervision of a registered nurse or a licensed vocational nurse;
  - is regularly engaged in providing room and board and continuously provides 24-hour-per-day nursing care of sick and injured persons;
  - have accommodations for at least three (3) inpatients in one (1) location; or
  - maintains a daily medical record of each patient who must be under the care of a Physician;
  - is authorized to administer medication to patients on the order of a Physician; or
- a similar facility approved by us.

"Rehabilitation Facility" means a facility for the physical restoration of a sick or injured person by therapeutic measures and re-education to allow participation in the activities of a normal life within the limitations of the insured's physical abilities.

"Residential Care Facility" means:

- a facility licensed as a residential care facility for the elderly or a residential care facility as defined in the Health and Safety Code; or
- facilities that meet applicable licensure standards, if any, that :
- are engaged primarily in providing ongoing care and related services sufficient to support needs resulting from impairment in Activities of Daily Living or impairment in cognitive ability;
- provides care and services on a 24-hour basis;
- has a trained and ready-to-respond employee on duty in the facility at all times to provide care and services;
- provides three (3) meals a day and accommodates special dietary needs;
- has agreements to ensure that residents receive medical care services of a Physician or nurse in case of emergency; and
- has appropriate methods and procedures to provide necessary assistance to residents in the management of prescribed medications; or
- a similar institution approved by us.

NOTE: These requirements are typically met by facilities that are either free standing facilities or part of a life care community. Facilities not specifically named here must meet all the requirements of a Residential Care Facility. In general, they are not met by hospitals, individual residences, boarding homes, or independent living units.

## **AMOUNT OF HOME CARE MONTHLY BENEFIT**

"Home Care Monthly Benefit" means the Home Care Monthly Benefit amount shown in your **Schedule of Benefits**.



## **BED RESERVATION BENEFIT**

If you are receiving a Facility Monthly Benefit and your stay in the Facility is interrupted due to a stay in an acute care facility, or due to a temporary absence, and a charge is made to reserve your Facility accommodations, you will be eligible for a Bed Reservation Benefit. We will pay you 1/30th of the Facility Monthly Benefit for each day you are absent from the Facility:

- up to 90 days per calendar year if your absence is due to a stay in an acute care facility; or
- up to 30 days per calendar year for a temporary absence not related to a stay in an acute care facility.

In no event will the total number of Bed Reservation days exceed 90 days per calendar year. Bed Reservation payments will reduce your Lifetime Maximum Benefit, and will no longer be available once your Lifetime Maximum Benefit has been reached.

If your stay in a Facility is interrupted while you are satisfying your Elimination Period, such days will be used to help satisfy your Elimination Period.

## **RESPIRE CARE BENEFIT**

If you are Chronically Ill and receiving Respite Care, but you are not receiving a Facility Monthly Benefit or a Home Care Monthly Benefit, if your coverage includes home care, you will be eligible to receive Respite Care. The Respite Care Benefit you will receive is equal to 1/30th of your Facility Monthly Benefit for each day you have Respite Care for up to 21 days each calendar year. You do not need to complete your Elimination Period for Respite Care payments to begin, and the days you are receiving Respite Care will count toward satisfying your Elimination Period.

Respite Care can be provided in your home, a Facility, an Adult Day Care Facility or a similar facility approved by us. Such payments will reduce your Lifetime Maximum Benefit, and will no longer be available once your Lifetime Maximum Benefit has been reached.

## **INTERNATIONAL BENEFITS**

If you have selected a Home Care Monthly Benefit, we will pay International Benefits on an indemnity basis, if you qualify under the conditions defined in this provision.

### **ELIGIBILITY FOR INTERNATIONAL BENEFITS**

You will be eligible for International Benefits if, after the effective date of your coverage and while your coverage is in effect, you become Chronically Ill.

### **CONDITIONS FOR PAYMENT OF INTERNATIONAL BENEFITS**

To receive International Benefits under this Certificate, the following conditions must be met:

- you must satisfy the Elimination Period;
- you must be receiving Qualified Long Term Care Services while traveling or residing outside of the United States, its territories or possessions or Canada;
- the treatment for your Chronic Illness must be provided pursuant to a written Plan of Care; and
- we must approve your claim.

The policy is intended to be a qualified long term care insurance policy under Section 7702B(b) of the Internal Revenue Code of 1986, as amended. You must also provide us a Licensed Health Care Practitioner's Certification that you are unable to perform (without Substantial Assistance from another individual) two (2) or more Activities of Daily Living for a period of at least 90 days, or that you require Substantial Supervision by another individual to protect you from threats to your health or safety due to Severe Cognitive Impairment.

You must obtain and provide us with any required supporting documentation. All required documentation must be provided to us in English. We reserve the right to require that you provide us

with updated documentation and information at reasonable intervals. However, we will not require updates more frequently than monthly.

We reserve the right to obtain an interpreter, if necessary, and to determine who the interpreter will be.

If you are receiving International Benefits under this Certificate, you cannot be receiving any other benefits under this Certificate for the same time period. Coverage for the Additional Care, Respite Care or Bed Reservation provisions are not available outside the United States, its territories or possessions or Canada.

#### **LIMITATIONS ON PAYMENT OF INTERNATIONAL BENEFITS**

We will not pay benefits in excess of the amounts shown in your **Schedule of Benefits**. Benefits paid will reduce your Lifetime Maximum Benefit and will no longer be available once your Lifetime Maximum Benefit has been reached.

#### **INDEMNITY BENEFIT FOR PAYMENT OF INTERNATIONAL BENEFITS**

The Indemnity Amount we will pay for International Benefits is equal to 75% of the Home Care Monthly Benefit shown in your **Schedule of Benefits**. Any International Monthly Benefit will be paid in United States currency. You may not assign the Indemnity Benefit.

#### **TOTAL LIFETIME INTERNATIONAL BENEFITS AVAILABLE**

The Total Lifetime International Benefit payment will be the lesser of:

- your Lifetime Maximum Benefit; or
- 72 months.

#### **WORDS THAT HAVE A SPECIAL MEANING FOR THIS PROVISION**

"Indemnity Amount" means the total monthly benefit available to you regardless of the actual charges you incur. This benefit will be paid to you if you are eligible under this Certificate for International Benefits. You must be receiving Qualified Long Term Care Services in order to receive the Indemnity Benefit.

"International" means any location outside the United States, its territories or possessions or Canada.

"International Benefit" means 75% of the Home Care Monthly Benefit shown in your **Schedule of Benefits**. This benefit will be paid to you regardless of who provides the care or where the care is provided, except for locations excluded by this Certificate.

## LIMITATIONS AND EXCLUSIONS

### PLAN EXCLUSIONS

We will not provide benefits for:

- a Chronic Illness caused by war or any act of war, whether declared or undeclared, that occurs while your coverage is in force.
- a Chronic Illness caused by suicide, whether sane or insane, intentionally self-inflicted injuries or attempted suicide.
- a Chronic Illness caused by participation in a felony for which you have been convicted under state or federal law, riot or insurrection.
- treatment for alcoholism or drug addiction.
- any period of time while you are Chronically Ill and you are confined in a hospital, other than if you are confined to a Facility that is a distinctly separate part of a hospital. This exclusion does not apply to those periods covered under the Bed Reservation Benefit.
- care, treatment, services or claims certification by a Licensed Health Care Practitioner, who is you, your spouse or registered domestic partner, your daughter, son, parent, sister or brother.
- care, treatment or services provided by Immediate Family Members, who are you, your spouse or registered domestic partner, your daughter, son, parent, sister or brother.

## GENERAL PROVISIONS

### ENTIRE CONTRACT; CHANGES

This policy, including the endorsements and the attached papers, if any, constitutes the entire contract of insurance. No change in this policy shall be valid until approved by an executive officer of the insurer and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this policy or to waive any of its provisions.

### INCONTESTABLE CLAUSE

**Time Limit on Certain Defenses:** (a) After two (2) years from the date of issue of this Certificate no misstatements, except fraudulent misstatements, made by the applicant in the application for such Certificate shall be used to void the Certificate or to deny a claim for loss incurred or Chronic Illness commencing after the expiration of such two (2) year period.

(b) No claim for loss incurred or Chronic Illness commencing after two (2) years from the date of issue of this Certificate shall be reduced or denied on the ground that a disease or physical condition not excluded from coverage by name or specific description effective on the date of loss had existed prior to the effective date of coverage of this Certificate.

If we do not complete medical underwriting and resolve all reasonable questions arising from information submitted on or with an application before issuing this Certificate, then we may only rescind this Certificate or deny an otherwise valid claim, upon clear and convincing evidence of fraud or material misrepresentation of the risk by you.

The evidence shall:

- Pertain to the condition for which benefits are sought.
- Involve a chronic condition or involve dates of treatment before the date of application.
- Be material to the acceptance for coverage.

**Preexisting Conditions:** A "Preexisting Condition" is a condition for which medical advice or treatment was recommended by, or received from a provider of health care services, within six (6) months preceding the effective date of coverage of an insured person.

Every Long Term Care insurance policy or certificate shall cover Preexisting Conditions that are disclosed on the application no later than six (6) months following the effective date of the coverage of an insured, regardless of the date the loss or confinement begins.

### GRACE PERIOD

A Grace Period of 60 days will be granted for the payment of each premium falling due after the first premium, during which Grace Period the policy shall continue in force (subject to the right of us to terminate in accordance with the Termination of Coverage provision hereof).

### Designation of individuals to receive notice of lapse or termination of policy for nonpayment of premium:

- (a) No individual long term care policy shall be issued until the applicant has been given the right to designate at least one (1) individual, in addition to the applicant, to receive notice of lapse or termination of a policy for nonpayment of premium. The insurer shall receive from each applicant one (1) of the following:
- (1) A written designation listing the name, address, and telephone number of at least one (1) individual, in addition to the applicant, who is to receive notice of lapse or termination of the policy or certificate for nonpayment of premium.
  - (2) A waiver signed and dated by the applicant electing not to designate additional persons to receive notice.
- (b) The insurer shall notify the insured of the right to change the written designation, no less often than once every two (2) years.

- (c) When the policyholder or certificate holder pays the premium for a long term care insurance policy through a payroll or pension deduction plan, the requirements contained in subdivision (a) need not be met until 60 days after the policyholder or certificate holder is no longer on that deduction payment plan. The application for a certified long term care insurance policy shall clearly indicate the deduction payment plan selected by the applicant.
- (d) No individual long term care policy or certificate shall lapse or be terminated for nonpayment of premium unless the insurer, at least 30 days prior to the effective date of the lapse or termination, gives notice to the insured and to the individual or individuals designated pursuant to subdivision (a), at the address provided by the insured for purposes of receiving notice of lapse or termination. Notice shall be given by first-class United States mail, postage prepaid, not less than 30 days after a premium is due and unpaid.

**Reinstatement Due to Chronic Illness:** Each long term care insurance policy or certificate shall include a provision which, in the event of lapse, provides for reinstatement of coverage, if the insurer is provided with proof of the insured's cognitive impairment or the loss of functional capacity. This option shall be available to the insured if requested within five (5) months after termination and shall allow for the collection of a past due premium, where appropriate. The standard of proof of cognitive impairment or loss of functional capacity shall not be more stringent than the benefit eligibility criteria on cognitive impairment or the loss of functional capacity contained in the policy.

## **REINSTATEMENT**

If any renewal premium be not paid within the time granted the insured for payment, a subsequent acceptance of premium by the insurer or by any agent duly authorized by the insurer to accept such premium, without requiring in connection therewith an application for reinstatement, shall reinstate the policy or certificate; provided, however, that if the insurer or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, the policy or certificate will be reinstated upon approval of such application by the insurer or, lacking such approval, upon the forty-fifth day following the date of such conditional receipt unless the insurer has previously notified the insured in writing of its disapproval of such application. The reinstated policy or certificate shall cover only loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than 10 days after such date. In all other respects the insured and insurer shall have the same rights thereunder as they had under the policy or certificate immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement.

## **CLAIM INFORMATION**

### **NOTICE OF CLAIM**

Written notice of claim must be given to the insurer within 20 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the insured or the beneficiary to the insurer at Unum Life Insurance Company of America, 2211 Congress Street, Portland, Maine 04122 or to any authorized agent of the insurer, with information sufficient to identify the insured, shall be deemed notice to the insurer.

### **CLAIM FORMS**

The insurer, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing Proofs of Loss. If such forms are not furnished within 15 days after the giving of such notice the claimant shall be deemed to have complied with the requirements of this policy as to Proof of Loss upon submitting, within the time fixed in the policy for filing Proofs of Loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

### **PROOFS OF LOSS**

Written proof of loss must be furnished to the insurer at its said office in case of claim for loss for which the policy provides any periodic payment contingent upon continuing loss within 90 days after the termination of the period for which the insurer is liable and in case of claim for any other loss within 90 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one (1) year from the time proof is otherwise required.

### **TIME PAYMENT OF CLAIM**

Indemnities payable under the policy for any loss other than loss for which the policy provides any periodic payment will be paid immediately upon receipt of due written proof of such loss. Subject to due written Proof of Loss, all accrued indemnities for loss for which the policy provides periodic payment will be paid monthly and any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof.

### **PAYMENT OF CLAIM**

Indemnity for loss of life will be payable in accordance with the beneficiary designation and the provisions respecting such payment which may be prescribed herein and effective at the time of payment. If no such designation or provision is then effective, such indemnity shall be payable to the estate of the insured. Any other accrued indemnities unpaid at the insured's death may, at the option of the insurer, be paid either to such beneficiary or to such estate. All other indemnities will be payable to the insured.

If any indemnity of the policy shall be payable to the estate of the insured, or to an insured or beneficiary who is a minor or otherwise not competent to give a valid release, the insurer may pay such indemnity, up to an amount not exceeding \$1,000, to any relative by blood or connection by marriage of the insured or beneficiary who is deemed by the insurer to be equitably entitled thereto.

Any payment made by the insurer in good faith pursuant to this provision shall fully discharge the insurer to the extent of such payment.

Subject to any written direction of the insured in the application or otherwise all or a portion of any indemnities provided by the policy on account of hospital, nursing, medical, or surgical services may, at the insurer's option and unless the insured requests otherwise in writing not later than the time of filing proofs of that loss, be paid directly to the person or persons having paid for the hospitalization or

medical or surgical aid, or to the hospital or person rendering those services; but it is not required that the service be rendered by a particular hospital or person.

## **PHYSICAL EXAMINATIONS**

The insurer at its own expense shall have the right and opportunity to examine the person of the insured when and as often as it may reasonably require during the pendency of a claim hereunder.

## **LIMITATIONS OF ACTIONS ON THE POLICY**

**Legal Actions:** No action at law or in equity shall be brought to recover on the Policy prior to the expiration of 60 days after written Proof of Loss has been furnished in accordance with the requirements of the Policy. No such action shall be brought after the expiration of three (3) years after the time written Proof of Loss is required to be furnished.

## **RIGHT OF APPEAL**

You have the right to appeal any claim decision. Your appeal must be in writing and must be sent to us within 90 days of your denial notice.

We will notify you in writing immediately, but in no event more than 40 calendar days after the claim form was filed, if a claim or any part of a claim is denied. The denial letter will state:

- the specific reason(s) for the denial with reference to the applicable Policy provision(s);
- a description of any additional material or information that is necessary to complete the claim;
- an explanation of why the additional material or information is necessary;
- a statement describing your access to documents; and
- a statement describing your appeal and legal rights to bring suit.

If you are not satisfied with the reason for the denial, you or your representative may ask to have the claim reviewed by us. Your appeal must be in writing and should include all supporting materials or information that will help us to review the claim. We will review your appeal and all new information submitted and notify you or your representative of our decision within 60 days of receiving the appeal. If special circumstances require an extension of time for processing, you will be notified of the reasons for the extension and the date by which we expect to make a decision. A decision shall be made no later than 120 days following receipt of the initial request for review. The time periods can be extended by us if we have not received needed information from you. In some cases, we may request that you provide additional information to assist in the review.

You may request copies of the pertinent relevant documents we used to review your claim. Your request to us must be submitted in writing.

## **PREMIUM INFORMATION**

### **PREMIUM DUE DATES AND PAYMENTS**

All premiums due for your coverage, including any adjustments, must be paid on or before the applicable Premium Due Date. Premium must be sent to us at 2211 Congress Street, Portland, Maine 04122 or at the address designated on the bill for that purpose. Premiums are payable in U.S. currency only.

### **WAIVER OF PREMIUM**

After you have satisfied your Elimination Period, and while you are receiving benefits under the policy and any attachments, we will waive premium payments. However, premium payments will not be waived if you are only receiving Respite Care Benefits or Additional Care Benefits.

If benefits are no longer payable, you must resume premium payments. We will notify you of the amount of your next premium payment and the date it is due.

### **REFUND OF PREMIUM AFTER DEATH**

If you die while insured under the policy, we will refund any pro rata portion of your premium paid covering the period after your death. We will make the refund within 30 days after we receive written notice of your death. Payment will be made to your estate.

### **REFUND OF PREMIUM DUE TO CANCELLATION OF COVERAGE**

In the event your coverage under the policy is cancelled by you, we will, within 30 days of the effective date of such cancellation, refund the premium paid for any period beyond the end of the month following the date of cancellation of coverage.



## RENEWABILITY AND TERMINATION OF COVERAGE

### POLICY RENEWABILITY

**Guaranteed Renewable:** The policy takes effect on the Policy Effective Date shown on the face page of the policy and continues until the end of the period for which the first premium has been paid. The Policyholder may renew the policy on each Policy Anniversary by paying each premium before its Grace Period ends. We reserve the right to change the premiums for the policy. We cannot change any of the terms of the policy or decline to renew it on our own; except that we may, in accordance with the provisions of the policy, and upon prior approval of the California Department of Insurance, change the premium rates for all insured with the same policy form number and in the same Class. A Class is a group of policies issued to individuals who share certain characteristics. The characteristics are based on the state where the policyholders live or the year of issue. Any change in premium will be effective on the Policy Anniversary Date. Written notification will be sent to the Policyholder at least 31 days in advance. We cannot discontinue the policy except where required by law or as a result of nonpayment of premium or other causes as described in the Policy Termination section of the policy.

### TERMINATION OF BENEFITS

Your benefit payments under the policy will end on the earliest of:

- the day after you are no longer Chronically Ill;
- the day after the expiration of your Licensed Health Care Practitioner's Certification;
- the day after you are no longer receiving Qualified Long Term Care Services in a Facility or 30 days after you are no longer receiving Home Care Services;
- the day after your Lifetime Maximum Benefit has been reached;
- the day after you die.

### TERMINATION OF COVERAGE

Your coverage will terminate on the earliest of:

- the day after your Lifetime Maximum Benefit has been reached;
- the day after the end of your Grace Period, if premiums for your coverage are not paid within the Grace Period;
- the day after we receive your written notification that you wish to cancel your coverage; or
- the day after you die.

Your coverage will also terminate on the earliest of the following events:

- the date the group policy terminates; or
- the date you are no longer in an Eligible Group with the Policyholder; or
- the day after the pay period ends for which premiums were last paid to us by the Policyholder for your coverage;

unless you elect to continue your coverage under the Continuation of Coverage provision.

### EXTENSION OF BENEFITS

Termination of coverage will be without prejudice to any benefits payable under the policy and any attachments (if applicable), if eligibility for such benefits or Chronic Illness began while your coverage was in force. Benefits will continue without interruption. Such extension of benefits will be limited to the duration of the payment of your Lifetime Maximum Benefit.

### CONTINUATION OF COVERAGE

You are eligible to continue coverage, upon approval of your Continuation of Coverage form and completion of the Third Party Designation form, if any portion of your premium:

- is paid for by the Policyholder; or
- is payroll deducted by the Policyholder.

If you meet the eligibility criteria listed below, you may elect to continue coverage on a direct bill basis. You must contact the Policyholder or Unum to obtain the Continuation of Coverage form and the Third Party Designation form. You must fully complete both forms and return them to Unum, at the address listed on the form within 60 days of:

- the date the group policy terminates; or
- the date you are no longer in an Eligible Group with the Policyholder; or
- the day after the pay period ends for which premiums were last paid to us by the Policyholder for your coverage.

If your coverage terminates because you are no longer eligible for coverage, your continued coverage will remain in force under the existing group policy. If the existing group policy terminates, your coverage will be continued under a group continuation policy. Your continued coverage will remain in force as long as you continue timely payment of premium when due. You must pay premium directly to Unum for your continued coverage.

If you did not apply for coverage during the time you were otherwise eligible to apply for coverage, or if you were not approved for coverage during the time you were otherwise eligible for coverage, you are not eligible to apply for Continuation of Coverage.

You may not elect to continue coverage if you are not insured under the group policy on the date the group policy terminates.

The premium rate schedule for continued coverage may change in the future, depending on:

- the overall use of the benefits by all insured persons; or
- changes in the benefit levels or other risk factors.

Any such change will be made for all insureds in the same class.

You may make changes at any time to your continued coverage. Changes must be based on the current Benefit Options available under the group policy. To change your coverage, you must contact Unum's home office for assistance. You will need to complete the necessary forms which may include a Long Term Care Insurance Application.

## **ADMINISTRATION PROVISIONS**

### **MISSTATEMENT OF AGE**

If your age has been misstated, any benefit payable will be changed to the amount which the premium paid would have bought for the correct age.

If we accept premium for coverage that we would not have issued or which would have ceased according to the correct age, our only liability is to refund the premium for the period not covered.

### **WORKERS' COMPENSATION OR STATE DISABILITY INSURANCE**

The policy does not replace or affect the requirements for coverage by any workers' compensation or state disability insurance.

### **AGENT**

For all purposes of the policy, the Policyholder acts on its own behalf or as your agent. Under no circumstances will the Policyholder be deemed our agent.

### **CONFORMITY WITH FEDERAL STATUTES**

We have designed the policy to meet the qualified long term care insurance requirements of Section 7702B(b) of the Internal Revenue Code of 1986, as amended. In the future if changes are needed to maintain the tax status of the policy, we will make every reasonable effort to amend the policy to maintain its tax status. The Policyholder will be given the opportunity to amend the policy in order to preserve its favorable federal income tax treatment. Your Certificate may be affected by any such amendments. If the required changes are not made, the policy and your coverage may lose their status as a qualified long term care insurance policy.

### **CONFORMITY WITH STATE STATUTES**

Coverage under the policy may be amended as required to reflect the minimum requirements of applicable state law.

### **TAX NOTE**

Since benefits are paid without regard to actual charges you incur, part of the benefit could be considered taxable income if they exceed the daily benefit amount limit prescribed under Section 7702B(b) of the Internal Revenue Code of 1986, as amended (referred to as a "Per Diem" limit). This "Per Diem" limit is indexed for inflation. You should consult with your tax advisor.

## **ADDITIONAL BENEFITS**

The Additional Benefits available under the policy are described in this section. Refer to your **Schedule of Benefits** for any Additional Benefits you may have selected.

## **INFLATION PROTECTION**

If your coverage includes:

### **5% COMPOUND INFLATION PROTECTION**

Your Facility Monthly Benefit will increase each year on the Coverage Effective Date anniversary by 5% of your Facility Monthly Benefit in effect on that date. Increases will be automatic and will occur regardless of your health and whether or not you are eligible for or are receiving benefit payments under the policy and any attached rider(s). Your premium will not increase due to automatic increases in your Facility Monthly Benefit. Your remaining Lifetime Maximum Benefit Amount will also increase by 5%.

In the event you decide to terminate this Inflation Protection prior to the benefit being paid, you have the right to purchase the inflated benefit amount at your original issue age or you can revert the benefit amount to the one you chose when you enrolled for this provision.

### **TERMINATION OF 5% COMPOUND INFLATION PROTECTION**

Your Compound Inflation Protection will terminate on the earlier of:

- the day your coverage continues under any Non-Forfeiture Benefit; or
- the day any portion of your coverage terminates as provided in the Termination of Coverage provision.

## **BENEFIT INCREASE**

If your coverage includes:

### **5% SIMPLE BENEFIT INCREASE**

Your Facility Monthly Benefit will increase each year on the Coverage Effective Date anniversary by 5% of your original Facility Monthly Benefit. Increases will be automatic and will occur regardless of your health and whether or not you are eligible for or are receiving benefit payments under the policy and attached rider(s). Your premium will not increase due to automatic increases in your Facility Monthly Benefit. Your remaining Lifetime Maximum Benefit Amount will also increase 5%.

In the event you decide to terminate this Benefit Increase prior to a benefit being paid, you have the right to purchase the inflated benefit amount at your original issue age or you can revert the benefit amount to the one you chose when you enrolled for this provision.

### **TERMINATION OF 5% SIMPLE BENEFIT INCREASE**

Your Simple Benefit Increase will terminate on the earlier of:

- the day your coverage continues under any Non-Forfeiture Benefit; or
- the day any portion of your coverage terminates as provided in the Termination of Coverage provision.

## **Additional Claim and Appeal Information**

### **APPLICABILITY OF ERISA**

If this Policy provides benefits under a Plan which is subject to the Employee Retirement Income Security Act of 1974 (ERISA), the following provisions apply. Whether a Plan is governed by ERISA is determined by a court, however, your employer may have information related to ERISA applicability. If ERISA applies, the following items constitute the Plan: the additional information contained in this document, the Policy, including your Certificate of Coverage, and any additional Summary Plan Description information provided by the Plan Administrator. Benefit determinations are controlled exclusively by the Policy, your Certificate of Coverage, and the information in this document.

### **HOW TO FILE A CLAIM**

If you wish to file a claim for benefits, you should follow the claim procedures described in your insurance certificate. Unum must receive a completed claim form. The form must be completed by you or your authorized representative. If you or your authorized representative has any questions about what to do, you or your authorized representative should contact Unum directly.

### **CLAIM PROCEDURES**

The time periods provided in this section will apply to claims procedures under the Policy unless a shorter time is stated in the Policy.

In the event that your claim is denied, either in full or in part, Unum will notify you in writing within 90 days after your claim was filed. Under special circumstances, Unum is allowed an additional period of not more than 90 days (180 days in total) within which to notify you of its decision. If such an extension is required, you will receive a written notice from Unum indicating the reason for the delay and the date you may expect a final decision. Unum's notice of denial shall include:

- the specific reason or reasons for denial with reference to those Plan provisions on which the denial is based;
- a description of any additional material or information necessary to complete the claim and why that material or information is necessary; and
- a description of the Plan's procedures and applicable time limits for appealing the determination, including a statement of your right to bring a lawsuit under Section 502(a) of ERISA following an adverse determination from Unum on appeal.

Notice of the determination may be provided in written or electronic form. Electronic notices will be provided in a form that complies with any applicable legal requirements.

### **APPEAL PROCEDURES**

The time period provided in this section for submitting an appeal will apply unless a longer time period for submitting an appeal is stated in the Policy.

The time period provided in this section for making a final appeal decision will apply unless a shorter time period for making a final appeal decision is stated in the Policy.

If you or your authorized representative appeal a denied claim, it must be submitted within 90 days after you receive Unum's notice of denial. You have a right to:

- submit a request for review, in writing, to Unum;
- upon request and free of charge, reasonable access to and copies of, all relevant documents as defined by applicable U.S. Department of Labor regulations; and
- submit written comments, documents, records and other information relating to the claim to Unum.

Unum will make a full and fair review of the claim and all new information submitted, whether or not presented or available at the initial determination, and may require additional documents as it deems

necessary or desirable in making such a review. A final decision on the review shall be made not later than 60 days following receipt of the written request for review. If special circumstances require an extension of time for processing, you will be notified of the reasons for the extension and the date by which the Plan expects to make a decision. If an extension is required due to your failure to submit the information necessary to decide the claim, the notice of extension will specifically describe the necessary information and the date by which you need to provide it to us. The 60-day extension of the appeal review period will begin after you have provided that information.

The final decision on review shall be furnished in writing and shall include the reasons for the decision with reference, again, to those Policy provisions upon which the final decision is based. It will also include a statement describing your access to documents and describing your right to bring lawsuit under Section 502(a) of ERISA if you disagree with the determination.

Notices of the determination may be provided in written or electronic form. Electronic notices will be provided in a form that complies with any applicable legal requirements.

Unless there are special circumstances, this administrative appeal process must be completed before you begin any legal action regarding your claim.



## Unum's Commitment to Privacy

Unum understands your privacy is important. We value our relationship with you and are committed to protecting the confidentiality of nonpublic personal information (NPI). This notice explains why we collect NPI, what we do with NPI and how we protect your privacy.

### Collecting Information

We collect NPI about our customers to provide them with insurance products and services. This may include telephone number, address, date of birth, occupation, income and health history. We may receive NPI from your applications and forms, medical providers, other insurers, employers, insurance support organizations, and service providers.

### Sharing Information

We share the types of NPI described above primarily with people who perform insurance, business, and professional services for us, such as helping us pay claims and detect fraud. We may share NPI with medical providers for insurance and treatment purposes. We may share NPI with an insurance support organization. The organization may retain the NPI and disclose it to others for whom it performs services. In certain cases, we may share NPI with group policyholders for reporting and auditing purposes. We may share NPI with parties to a proposed or final sale of insurance business or for study purposes. We may also share NPI when otherwise required or permitted by law, such as sharing with governmental or other legal authorities. *When legally necessary, we ask your permission before sharing NPI about you.* Our practices apply to our former, current and future customers.

*Please be assured we do not share your health NPI to market any product or service. We also do not share any NPI to market non-financial products and services. For example, we do not sell your name to catalog companies.*

The law allows us to share NPI as described above (except health information) with affiliates to market financial products and services. The law does not allow you to restrict these disclosures. We may also share with companies that help us market our insurance products and services, such as vendors that provide mailing services to us. We may share with other financial institutions to jointly market financial products and services. *When required by law, we ask your permission before we share NPI for marketing purposes.*

When other companies help us conduct business, we expect them to follow applicable privacy laws. We do not authorize them to use or share NPI except when necessary to conduct the work they are performing for us or to meet regulatory or other governmental requirements.

Unum companies, including insurers and insurance service providers, may share NPI about you with each other. The NPI might not be directly related to our transaction or experience with you. It may include financial or other personal information such as employment history. Consistent with the Fair Credit Reporting Act, we ask your permission before sharing NPI that is not directly related to our transaction or experience with you.

### Safeguarding Information

We have physical, electronic and procedural safeguards that protect the confidentiality and security of NPI. We give access only to employees who need to know the NPI to provide insurance products or services to you.

### Access to Information

You may request access to certain NPI we collect to provide you with insurance products and services. You must make your request in writing and send it to the address below. The letter should include your full name, address, telephone number and policy number if we have issued a policy. If you request, we will send copies of the NPI to you. If the NPI includes health information, we may provide the health information to you through a health care provider you designate. We will also send you information related to disclosures. We may charge a reasonable fee to cover our copying costs.

This section applies to NPI we collect to provide you with coverage. It does not apply to NPI we collect in anticipation of a claim or civil or criminal proceeding.

### **Correction of Information**

If you believe NPI we have about you is incorrect, please write to us. Your letter should include your full name, address, telephone number and policy number if we have issued a policy. Your letter should also explain why you believe the NPI is inaccurate. If we agree with you, we will correct the NPI and notify you of the correction. We will also notify any person who may have received the incorrect NPI from us in the past two years if you ask us to contact that person.

If we disagree with you, we will tell you we are not going to make the correction. We will give you the reason(s) for our refusal. We will also tell you that you may submit a statement to us. Your statement should include the NPI you believe is correct. It should also include the reason(s) why you disagree with our decision not to correct the NPI in our files. We will file your statement with the disputed NPI. We will include your statement any time we disclose the disputed NPI. We will also give the statement to any person designated by you if we may have disclosed the disputed NPI to that person in the past two years.

### **Coverage Decisions**

If we decide not to issue coverage to you, we will provide you with the specific reason(s) for our decision. We will also tell you how to access and correct certain NPI.

### **Contacting Us**

For additional information about Unum's commitment to privacy and to view a copy of our HIPAA Privacy Notice, please visit [www.unum.com/privacy](http://www.unum.com/privacy) or [www.coloniallife.com](http://www.coloniallife.com) or write to: Privacy Officer, Unum, 2211 Congress Street, C467, Portland, Maine 04122. We reserve the right to modify this notice. We will provide you with a new notice if we make material changes to our privacy practices.

Unum is providing this notice to you on behalf of the following insuring companies: Unum Life Insurance Company of America, First Unum Life Insurance Company, Provident Life and Accident Insurance Company, Provident Life and Casualty Insurance Company, Colonial Life & Accident Insurance Company, The Paul Revere Life Insurance Company and The Paul Revere Variable Annuity Insurance Company.

Unum is a registered trademark and marketing brand of Unum Group and its insuring subsidiaries.

MK-1883 (10-10)



## UNUM'S NOTICE OF PRIVACY PRACTICES

For Long Term Care, Cancer Assistance, Certain Medical Coverages and other Health Plans\*  
Pursuant to the Health Insurance Portability and Accountability Act ("HIPAA")

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

### Unum Understands the Importance of Your Privacy

This Notice describes your rights concerning "protected health information" ("PHI") about you. PHI is information that may identify you and that relates to (a) your past, present, or future physical or mental health or condition or (b) the past, present or future payment for your health care.

Unum is committed to preserving the confidentiality of PHI about its customers and in accordance with the requirements of the law, we pledge to:

- maintain the privacy of PHI about you
- provide you with a notice of our legal duties and privacy practices with respect to PHI
- abide by the terms of our current notice of privacy practices

It may be necessary to change the terms of this Notice in the future. We reserve the right to make changes and to make the new notice effective for all PHI that we maintain about you, including PHI we created or maintained in the past. If we make material changes to our privacy practices, copies of revised notices will be mailed to all policyholders then covered by a health plan.

### Uses and Disclosures of PHI for Treatment, Payment or Operations

- *For Treatment* - Unum is not a health care provider and does not engage in "treatment" of individuals as a health care provider (a doctor, for example) would. Accordingly, although we are permitted to use or disclose PHI about you for treatment purposes, we do not do so.
- *For Payment* - We may use and disclose PHI about you in order to obtain premiums or to determine or fulfill our responsibility to provide you with insurance coverage or benefits under your policy. For example, we may use or disclose PHI about you in order to determine whether you are eligible for coverage or to decide your claim for benefits under your policy.
- *For Health Care Operations* - We may use and disclose PHI about you in order to operate our business. For example, we use PHI about you in order to underwrite your insurance policy.

\*A "health plan" under the HIPAA Standards for Privacy of Individually Identifiable Health Information is an individual or group plan that provides or pays the cost of medical care.

## Uses and Disclosures in Special Circumstances

**Public Health Activities.** We may disclose PHI about you in order to notify public health authorities of public health risks, such as potential exposure to a communicable disease, or to report child abuse or neglect.

**Health Oversight Activities.** We may disclose PHI about you to a health oversight agency for oversight activities, including for investigations relating to possible insurance fraud.

**Judicial and Administrative Proceedings.** We may disclose PHI in the course of a judicial or administrative proceeding, such as in response to a subpoena, discovery request or other lawful process.

**Law Enforcement.** We may disclose PHI to law enforcement, for purposes such as reporting a crime on our premises or in an emergency. We may also disclose to law enforcement or a correctional facility PHI relating to inmates as necessary for health, safety and security.

**Prevention of Serious Harm.** We may use or disclose PHI about you if we believe it is necessary to prevent or lessen serious harm (abuse, neglect, or domestic violence) to you or to other potential victims.

**Serious Threat to Health/Safety.** We may use or disclose PHI when it is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public.

**Specialized Government Functions.** We may use or disclose PHI about you for certain government functions, including but not limited to military and veterans' activities and national security and intelligence activities.

**Workers' Compensation.** We may disclose PHI about you in order to comply with workers' compensation laws.

**Research Organizations.** We may disclose PHI to research organizations if the organization has satisfied certain conditions about protecting the privacy of PHI.

**Plan Sponsors.** We may disclose PHI to the plan sponsor of a group health plan for plan administrative functions if the plan documents contain provisions concerning restrictions on how the plan sponsor may use or further disclose PHI.

**Related Benefits and Services.** We may contact you to inform you of benefits or services related to your policy that may be of interest to you.

**Decedents.** We may disclose PHI to a coroner, medical examiner, or funeral director to permit them to carry out their legal duties.

**Donation/Transplantation.** We may use or disclose PHI for the purpose of facilitating organ, eye or tissue donation and transplantation.

**Business Associates.** We may disclose PHI to our business associates, such as our third-party administrators, accountants, or attorneys if those business associates have signed a written agreement concerning appropriate uses and disclosures of PHI.

**Involvement in Individual's Care.** We may disclose PHI about you to a family member, close personal friend or other person identified by you if directly relevant to that person's involvement with your care or payment related to your health care.

**Notification of Location/Condition.** We may use or disclose PHI to give notice or assist in giving notice of your location, general condition or death to a family member, personal representative or another person responsible for your care.

**Disclosures Required by Law.** We will use and disclose PHI about you when we are required to do so by federal, state, or local law.

In the event applicable law, other than HIPAA, prohibits or materially limits our uses and disclosures of PHI, as described above, we will restrict our uses or disclosure of PHI in accordance with the more stringent standard.

### **Uses and Disclosures of PHI Made Only With Your Written Authorization**

Other uses and disclosure of PHI about you will be made only with your written authorization, unless otherwise permitted or required by law as described in this notice. You may revoke your written authorization, at any time, in writing, except to the extent we have taken action in reliance on that written authorization before you have revoked it. You may not revoke your authorization to the extent that other law provides us with the right to contest a claim under the policy or the policy itself, if the authorization was obtained as a condition of obtaining insurance coverage.

### **Your Rights**

**Right to a Paper Copy of this Notice.** An electronic copy of this Notice is available on our website, [www.Unum.com](http://www.Unum.com). If you would like to have another paper copy of this Notice, send a written request to the Unum Privacy Officer.

**Inspection and Copying.** You have the right to access your information. Certain requests for access to your PHI must be in writing, must state that you want access to your PHI and must be signed by you or your representative (e.g., requests for medical records provided to us directly from your health care provider). You have the right, upon written notice, to inspect and copy certain PHI that may be used to make decisions about your insurance coverage, including medical records and billing records, but not including psychotherapy notes. We may deny your request to inspect and/or copy in certain limited circumstances; however, you may request a review of our denial.

**Amendment.** You may ask us to amend PHI about you (as long as the information is kept by or for us) if you believe it is incorrect or incomplete. Such requests must be in writing to the Privacy Officer and must include a reason for the request. If your request and a reason supporting the request are not submitted in writing, we may deny your request.

**Alternative Contact Information.** You have the right to receive communications of PHI about you from us in a certain manner or at a certain location, so long as the request is reasonable under the circumstances. For example, you may prefer to have mail from us sent to your work address rather than to your home. Submit requests for an alternative method of contact in writing to the Privacy Officer.

**Requesting Restrictions.** You have the right to request restrictions on our use or disclosure of PHI about you. We are not required to agree to your request. If we do agree, however, we are bound by our agreement except when otherwise required by law, in emergencies, or when the information is necessary for your treatment. Your request must clearly and concisely describe (a) the information you wish restricted; (b) whether you are requesting to limit our use, disclosure or both; and (c) to whom you want the limits to apply.

**Accounting.** You have the right to request an "accounting of disclosures." An "accounting of disclosures" is a list of certain disclosures we have made of PHI about you other than disclosures you authorized and other than disclosures made for treatment, payment or operations. The request must be in writing. The first request for an accounting that you make within a 12-month period is free; however, we may charge you for additional requests within the same 12-month period. We will notify you of the costs of the additional requests, and you may withdraw your request before incurring any costs.

**Complaints.** If you believe your privacy rights have been violated, you may file a complaint with us or with the Secretary of Health and Human Services. All complaints must be submitted in writing. We will not penalize you for filing such a complaint.

**In order to exercise any of your rights as set forth in this Notice, please write to:**

Privacy Officer  
Unum  
2211 Congress Street, C467  
Portland, ME 04122

For further information about matters covered by this notice, please contact the Privacy Office at the above address or call 1 (800) 227-4165 if you are a Long Term Care customer or 1 (800) 635-5597 if you are a Cancer Assistance customer.

Unum is providing this notice to you on behalf of the following insuring companies: Unum Life Insurance Company of America, First Unum Life Insurance Company, Provident Life and Accident Insurance Company, Provident Life and Casualty Insurance Company, Colonial Life & Accident Insurance Company, The Paul Revere Life Insurance Company and The Paul Revere Variable Annuity Insurance Company.

(c) 2008 Unum Group. All rights reserved. Unum is a registered trademark and marketing brand of Unum Group and its insuring subsidiaries.

Effective Date of This Notice: April 14, 2003

G-73568 (06/08)

## **NOTICE OF PROTECTION PROVIDED BY CALIFORNIA LIFE AND HEALTH INSURANCE GUARANTEE ASSOCIATION**

This notice provides a brief summary regarding the protections provided to policyholders by the California Life and Health Insurance Guarantee Association ("the Association"). The purpose of the Association is to assure that policyholders will be protected, within certain limits, in the unlikely event that the member insurer of the Association becomes financially unable to meet its obligations. Insurance companies licensed in California to sell life insurance, health insurance, annuities and structured settlement annuities are members of the Association. The protection provided by the Association is not unlimited and is not a substitute for consumers' care in selecting insurers. This protection was created under California law, which determines who and what is covered and the amounts of coverage.

Below is a brief summary of the coverages, exclusions and limits provided by the Association. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations or the rights or obligations of the Association.

### **COVERAGE**

#### **Persons Covered**

Generally, an individual is covered by the Association if the insurer was a member of the Association *and* the individual lives in California at the time the insurer is determined by a court to be insolvent. Coverage is also provided to policy beneficiaries, payees or assignees, whether or not they live in California.

#### **Amounts of Coverage**

The basic coverage protections provided by the Association are as follows:

##### **Life Insurance, Annuities and Structured Settlement Annuities**

For life insurance policies, annuities and structured settlement annuities, the Association will provide the following:

- Life Insurance
  - 80% of death benefits but not to exceed \$300,000
  - 80% of cash surrender or withdrawal values but not to exceed \$100,000
- Annuities and Structured Settlement Annuities
  - 80% of present value of annuity benefits, including net cash withdrawal and net cash surrender values but not to exceed 250,000

The maximum amount of protection provided by the Association to an individual, for all life insurance, annuities and structured settlement annuities is \$300,000, regardless of the number of policies or contracts covering the individual.

#### **Health Insurance**

The maximum amount of protection provided by the Association to an individual, as of April 1, 2011, is \$470,125. This amount will increase or decrease based upon changes in the health care cost component of the consumer price index to the date on which the insurer became an insolvent insurer.

### **COVERAGE LIMITATIONS AND EXCLUSIONS FROM COVERAGE**

The Association may not provide coverage for this policy. Coverage by the Association generally requires residency in California. You should not rely on coverage by the Association in selecting an insurance company or in selecting an insurance policy.

The following policies and persons are among those that are excluded from Association coverage:

- A policy or contract issued by an insurer that was not authorized to do business in California when it issued the policy or contract.
- A policy issued by a health care service plan (HMO), a hospital or medical organization, a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, or a grants and annuities society.
- If the person is provided coverage by the guaranty association of another state.
- Unallocated annuity contracts; that is, contracts which are not issued to and owned by an individual and which do not guaranty annuity benefits to an individual.
- Employer and association plans to the extent they are self funded or uninsured.
- A policy or contract providing any health care benefits under Medicare Part C or Part D.
- An annuity issued by an organization that is only licensed to issue charitable gift annuities.
- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as certain investment elements of a variable life insurance policy or a variable annuity contract.
- Any policy of reinsurance unless an assumption certificate was issued.
- Interest rate yields (including implied yields) that exceed limits that are specified in Insurance Code Section 1607.02(b)(2)(C).

### **NOTICES**

Insurance companies or their agents are required by law to give or send you this notice. Policyholders with additional questions should first contact their insurer or agent. To learn more about coverages provided by the Association, please visit the Association's website at [www.califega.org](http://www.califega.org), or contact either of the following:

California Life and Health Insurance  
Guarantee Association  
P.O. Box 16860  
Beverly Hills, CA 90209-3319  
(323) 782-0182

California Department of Insurance  
Consumer Communications Bureau  
300 South Spring Street  
Los Angeles, CA 90013  
(800) 927-4357

**Insurance companies and agents are not allowed by California law to use the existence of the Association or its coverage to solicit, induce or encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and California law, then California law will control.**