Independent Solutions℠

Your solution to Long-Term Care Insurance.

DETAILED PLAN INFORMATION

Southern Methodist University

CNA

Underwritten by Continental Casualty Company.
Policy Form number: GLTC-3-P-01-SERIES

AG-143543-A (TX)

Independent

(Make it your Choice)

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Solutions℠

Making the most of your benefits

Today, people evaluate their jobs by more than just salary – work environment and benefits may also be a large factor in your career-making decisions. But are you really making the most of your benefits?

Your company has decided to make available long-term care insurance because it's good for you and it's good for them. Consider this, in 1999 more than 54 million Americans had to act as caregivers for family members or friends.[1] That translates into lots of time off for workers and some missed paychecks. Just imagine how different your life would be if you had to miss work to care for a family member.

The costs of long-term care

Think health care is expensive? Just look at the costs of long-term care.

- The cost of one year's stay in a nursing home ranges from $40,000 to $80,000 [2] and the average cost of a home visit by a nurse is $100 per day.[2] Check out the map included in this booklet to find average costs in your state.
- Costs for care at home as the result of a disability are $36,000 and up annually.[3]

Understanding long-term care insurance

Insurance – whether it's health, auto or long-term care – can be difficult to understand. Most of us view it as a necessary evil. To help you better understand long-term care insurance and the coverage we offer, you'll find explanations of the three major elements – Facility Care, Home Based Care and Other Standard Plan Features – all of which are included as standard features with your coverage. Your choices are fully outlined in the Plan Highlights section of this booklet.

The right company.

CNA pioneered long-term care insurance in 1965. No other company offers more experience and depth of knowledge. In fact, we created many of the products and features that are now standard in the industry.

But insurance savvy isn't the only thing we offer – we take care of the human element as well. Our Care Coordinators provide the expertise to help you and your family make the most of your benefits. We work with you, your healthcare providers and family members to help you design a plan that best suits your needs. We can help you find provider discounts and facilities and caregivers that work best for you. Our goal is to let you be as independent as possible and consider home based care first.

If you have any questions about the plans outlined here, call CNA's Customer Service at **1-800-266-2904**. We're always happy to help.

[1] Source: National Family Caregivers Association (2000, Oct.) Caregiver Study 2000, Kensington, MD: Author.
[2] Source: Americans for Long Term Care Security, www.cycweb.org/learn html, 2001.
[3] Source: "Long-Term Care Insurance: A Special Guide" from Kiplinger's Retirement Report, June, 1999.

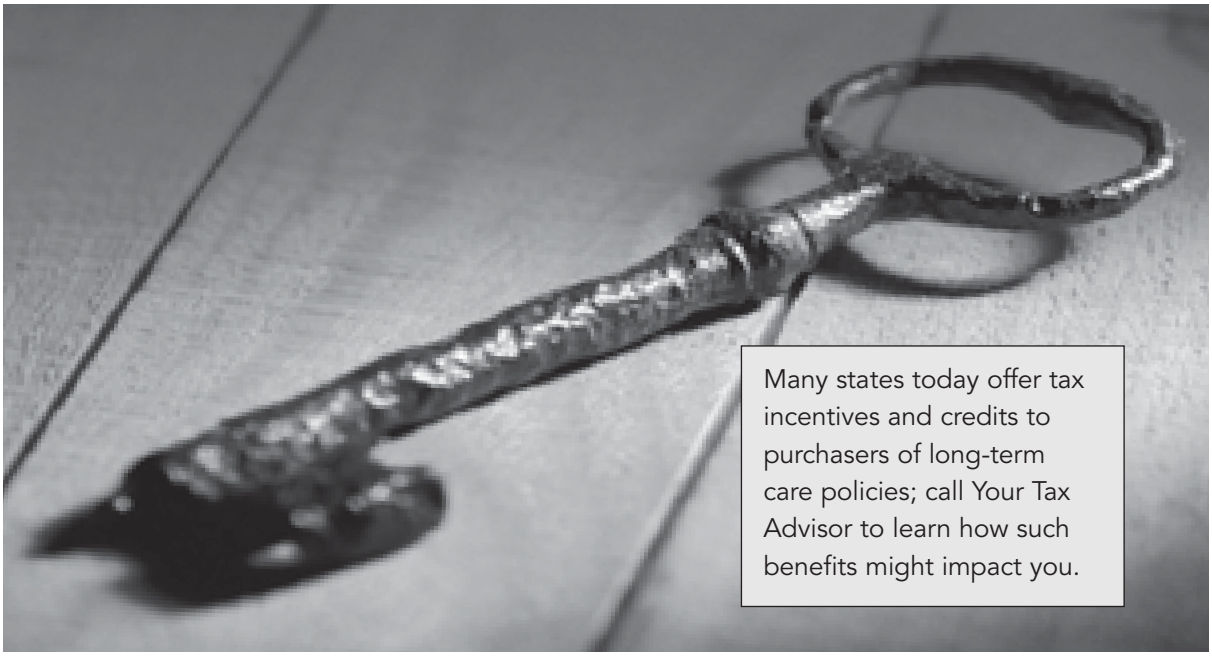
The right plan

If you've ever bought insurance – of any type – before, you know that your cost is based on certain factors. If you're a safe driver, your car insurance is less than someone who is more accident-prone. If you're young and healthy, your life insurance costs are lower than an older person's. Long-term care insurance works on the same principle – the younger you are when you purchase coverage, the less it costs.

For faculty and staff being offered coverage for the first time, coverage is guaranteed during the initial enrollment period. You can enroll in the plan during this time regardless of your health status. If you wait to purchase long-term care insurance and your health changes, coverage may not be available to you at any price.

Coverage that stays with you

Even if you change companies or retire, you continue to own your long-term care insurance. The rates and plan design will stay the same. The only thing that changes is your method of payment – instead of having premiums deducted from your paycheck, you will be billed directly.



Many states today offer tax incentives and credits to purchasers of long-term care policies; call Your Tax Advisor to learn how such benefits might impact you.

Independent Solutions℠ Standard Plan Features

Facility Care: What's included and what it means to you

You might assume that facility care only refers to nursing homes. But in fact, the Facility Care offered with this plan includes Assisted Living Facilities, Hospice Care and Bed Reservation as well.

- **Nursing Home Care**
  This long-term care insurance plan pays, after the waiting period, for all levels of nursing homes including skilled, intermediate and custodial.

  The older you get, the more likely you will need nursing home care. Sixty-five year olds face a 40% chance of entering a nursing home.[3] And women are twice as likely to enter a nursing home as men after age 65.[4]

  With private long-term care insurance your long-term care options increase greatly – the scope of care and possible locations for care provided by Medicaid is very limited and you'll be able to choose from the best available facilities in your community.

- **Assisted Living**
  When 24 hour assistance is needed and staying at home is no longer an option, but a full-fledged nursing home is not right either, an Assisted Living facility could be the answer. Assisted Living facilities let you retain some measure of independence while providing the full-time personal and nursing care you need. The plan pays all or portion of the cost for your long-term care in an assisted living facility.

- **Hospice Care**
  Hospice care offers relief and support for both the terminally ill and their families. These facilities are often more home-like than hospitals or nursing homes, but do offer medical care and attention.

- **Bed Reservation**
  Many facilities charge you for your room or bed even if you have to leave for a stay in the hospital or any other reason. Your plan will help cover this charge – paying for the bed when you're not there.

[3] Source: Health Insurance Association of America, Guide to Long-Term Care Insurance, 1999.
[4] Source: Ibid.

Home Based Care

Generally, people feel more comfortable and recuperate more quickly at home, because that's where they'd rather be. For that reason, Home Based Care has become increasingly popular in the last several years. The type of home you have doesn't matter – houses, apartments and retirement communities. Home Based Care covers all or a portion of the costs for:

- Occupational, physical, respiratory or speech therapy
- Nursing care performed by a Registered Nurse, Licensed Practical Nurse or Licensed Vocational Nurse
- Home health aide
- Personal care or housekeeper services
- Home delivered meals
- Nutrition services

Our Home Based Care covers care provided by a home health agency as well as an Independent Provider – someone who has the proper training and/or licensing (if required by law) to care for you, but does not have a formal affiliation with any home health agency. Independent Providers are typically less expensive, yet provide the quality of care you need. This is another example of how our flexible plan can help stretch your benefits dollars.

Home Based Care also includes the following features:

- **Home Hospice** – provides the same services as facility Hospice Care, only delivered in the home.
- **Adult Day Care** – provides social and health-related services for adults in a setting other than the home. Allows your caregivers the flexibility to continue working or to have time off during the day.
- **Caregiver Training for Independent Providers or family members** – helps pay for the training of an Independent Provider or unpaid caregiver to care for you at your home. Caregiver training helps deliver quality care to you.
- **Home Medical Technology** – brings the technology you need to remain independent in your home. Monitoring equipment, home modifications, medication maintenance devices, assisted devices and emergency response systems are all included here. Allows you to remain independent in your own home.

When can I receive benefits?

To be eligible for benefits, you must be unable to perform two of the six activities of daily living (ADLs). The ADLs are bathing, dressing, eating, maintaining continence, transferring and toileting. If a Licensed Healthcare Practitioner certifies that it is expected that you will not be able to perform two ADLs without assistance or supervision for 90 days, you are eligible for long-term care insurance benefits.

You are also eligible if you suffer from a cognitive impairment. This means that you have difficulty in your short- or long-term memory, orientation (current time, your location) and lack reasoning or judgement regarding safety.

Other Standard Plan Features

Your coverage also includes these features:

- **Inflation Protection** – so that your coverage can keep up with inflation, you'll be given the opportunity to increase the amount of insurance you have from time to time. We give you credit for the time you've been in the plan. So your original premium stays the same and only the additional coverage will be based on your current age.

- **Respite Care** – if you are receiving care in your home, there will be times when your caregiver needs a break from the caregiving duties. This benefit pays for your care while your normal caregiver is away. Care may be in your home or in a facility. You do not have to satisfy a waiting period to receive this benefit.

- **Alternate Plan of Care** – pays for care not specifically covered in your policy, but approved by you, your physician and us. This is another example of the plan's flexibility which allows us to customize care suited to your particular needs.

Your lifetime maximum benefit

The amount of insurance you decide to purchase – your Lifetime Maximum Benefit – is a pool of money that you draw from when you start receiving care. Our system is extremely flexible and allows your care and choices to change as your needs change. CNA's Care Coordinators, a voluntary, valuable resource available to you, will help you manage your benefits to give you coverage that can last for many years beyond the stated minimum length of time.

Premiums

Your premium is based on the plan you choose and on your age on the effective date of coverage. The younger you are, the lower your premium. The only way your premiums may change is if rates are increased for everyone in your age category with the same plan. Your premiums do not increase just because you grow older and you will never be singled out for a rate increase because of age or health. As long as you pay your premiums, you're covered and we cannot cancel your coverage.

The benefits of purchasing long-term care insurance when you're young can really add up. Many people think they will invest their money and buy LTC insurance when they're older. Just look how much the 40-year old saved, even though he paid for more than twice as many years. And remember, he had complete protection the entire time in case he needed long-term care.

$140 Facility Care Benefit
$255,500 Lifetime Maximum (Five Year Minimum Benefit)

Age Entering Plan	Total Years of Premiums Paid (to age 75)	Total Premiums Paid
40	35	$9,697.80
59	16	$14,033.28

Contingent non-forfeiture benefit

You still have the protection if your premiums are raised over a specified amount. You have three options relative to your coverage:

1) You can reduce your coverage amount to a premium equal to what you are currently paying
2) You can pay no further premiums. Your coverage will remain with a reduced lifetime maximum.
3) You can pay the higher premium for your current coverage.

For specific details regarding this feature, contact CNA's Customer Service area.

Exclusions

Long-Term Care insurance protects against catastrophic losses. Exclusions help keep the cost of the plan affordable. Your plan will not pay for Long-Term Care: 1) resulting from war: 2) covered by Worker's Compensation; 3) covered by other group insurance; 4) normally provided without charge; 5) received outside the United States; or 6) covered by Medicare (or covered except for application of a deductible or coinsurance).

Plans At A Glance

Standard Plan Features

	Option 1	Option 2	Option 3	Option 4
The Amount of Insurance You Can Purchase				
Daily Facility Care Benefit Facility Care pays all or a portion of the cost for services in the following facilities: ◗ Nursing Homes ◗ Assisted Living Facilities ◗ Hospice Facilities The plan pays the eligible expense* per day, up to daily benefit chosen by you.	$100	$120	$140	$160
Bed Reservation Benefit The plan will pay up to the Daily Facility Care Benefit to hold your bed in a nursing home during your absence.	$6,000	$7,200	$8,400	$9,600
Daily Home Based Care Benefit Home Based Care pays all or a portion of the cost for care in the following settings: ◗ Your own home ◗ Adult Day Care Facility The plan pays the eligible expense*, up to the Facility Care Daily Benefit you select.	$60	$72	$84	$96
Lifetime Maximum Benefit Your Lifetime Maximum Benefit is the amount of insurance you purchase. It is a pool of money you can use in any way to pay for long-term care services. The Lifetime Maximum Benefit is based on the the Daily Facility Care Benefit you select. Your benefits will last the minimum number of years shown in the chart, and can last longer depending on the type and frequency of benefits paid.	Two Year (730x) $73,000 Five Year (1825x) $182,500	 $87,600 $219,000	 $102,200 $255,500	 $116,800 $292,000
Respite Care This benefit pays for care while the normal family caregiver is away. This benefit pays up to either the Daily Facility Care Benefit or Daily Home Based Care Benefit depending on what benefits are used. You do not have to satisfy a waiting period to receive this benefit.	$2,100	$2,520	$2,940	$3,360
Caregiver Training Your plan will pay of the actual expense incurred for caregiver training up to the amount stated at the right.	$180	$216	$252	$288
Home Medical Technology This feature pays for the technology you may need to best meet your case needs.Your plan will pay the actual cost for home medical technology, up to the amount stated at the right.	$1,000	$1,000	$1,000	$1,000

* An eligible expense is the actual expense paid by you, which you are required to pay, for covered service.

Standard Plan Features (continued)

Waiting Period – Long-Term Care insurance protects against catastrophic losses. To make your coverage affordable, you will just need to satisfy a 90 calendar day waiting period before your benefits are paid.

Alternate Plan of Care – To provide maximum flexibility in care decisions, this feature allows benefits to be used to pay for alternative services, devices, or types of care specified in a written alternate plan of care that the benefit plan does not otherwise cover. An alternate of care may also be used to modifiy benefit payments to more closely match care use.

Waiver of Premium – After your waiting period is satisfied, you will not have to pay premiums in order to keep your coverage. Your premiums will be waived while you are receiving benefits. This means you will never have to repay those premiums.

Inflation Protection Features

Guaranteed Benefit Increase – This feature gives you the option of buying increased coverage at routine intervals to allow your coverage to keep up with inflation. Every 3 years, CNA will offer insured's the opportunity to increase your daily maximums and lifetime maximum benefit. Premiums for increased coverage will be based on your attained age on the effective date of the offer. CNA guarantees that the amount of the increase offered will be no less than the equivalent of a compound 5% rated increase. Actively-at-work faculty and staff of your current employer and their spouses are guaranteed acceptance regardless if a previous offer is rejected. All others are guaranteed acceptance as long as you continue to accept increase offers. If you decline an offer, CNA will offer future coverage increases, but you must submit evidence of insurability. Once approved, acceptance for future increases is guaranteed until another offer is declined. CNA will offer coverage increases to all insureds regardless of age or claim status.

Caregiver Benefit – While receiving care at home, you may need the services of an Informal Caregiver such as a family member. These services could include housekeeping or personal care. This benefit provides a cash payment to cover the expenses of such care. It maybe used when receiving Home Based Care but not Facility Care. This benefit will pay 10 times the Daily Facility Care Benefit you select each year.

Easy Enrollment

Faculty and staff:

Faculty and staff interested in signing up for Group Long-term Care from CNA can enroll by completing the enclosed enrollment form. If you enroll during the initial enrollment period, you are guaranteed coverage regardless of your health status, as long as you are still actively-at-work when your coverage goes into effect. If you wait, you will have to complete a questionnaire about your health and medical history and meet good health and other underwriting standards to be accepted into the plan.

Spouses of faculty and staff:

Spouses of faculty and staff may apply for coverage by completing the enclosed short form questionnaire. Spouses should consider long-term care coverage even if they have a medical condition. Some medical conditions will not necessarily disqualify you for coverage.

Retirees, spouses of retirees, parents, parents-in-law, grandparents and grandparents-in-law:

Complete the application and questionnaire in the INFORMATION KIT included with this brochure and return it to CNA in the enclosed envelope. You may apply at any time.

You must meet good health and other underwriting standards to be accepted into the plan. Please note that not all medical conditions will disqualify you for coverage.

Payment methods:

Faculty/staff and their spouses: Once coverage begins, your premiums (and those for your spouse) will be deducted from your paycheck automatically

Retirees, their spouses, parents, parents-in-law, grandparents and grandparents-in-law: Once coverage begins, you will be direct billed for premiums. Your first bill will be quarterly and at that time you will be given the option of having monthly automatic checking or savings account deductions or direct billing (quarterly, semi-annual or annual billing).

Additional forms and more information

You may obtain additional information on this coverage by calling the CNA toll-free number at **1-800-266-2904.**

Where do you send your enrollment form or application?

Mail all completed forms to CNA in the enclosed postage-paid envelope at CNA Insurance, PO Box 946760, Maitland FL 32794-9776.

Monthly rates

The premiums shown are for payroll deduction and are *monthly* amounts.

The actual amount that will be deducted from each paycheck will depend on the frequency of your payroll cycle.

Premiums are per person and based on the individual's age on the effective date of coverage.

	Two Year 730x Lifetime Maximum				Five Year 1825x Lifetime Maximum			
AGE	$100 Benefit	$120 Benefit	$140 Benefit	$160 Benefit	$100 Benefit	$120 Benefit	$140 Benefit	$160 Benefit
<25	6.24	7.48	8.73	9.98	8.05	9.67	11.28	12.89
25	6.56	7.87	9.18	10.50	8.55	10.26	11.97	13.68
26	6.73	8.08	9.42	10.77	8.80	10.56	12.32	14.08
27	6.94	8.33	9.72	11.11	9.09	10.91	12.73	14.55
28	7.18	8.61	10.05	11.49	9.43	11.31	13.20	15.08
29	7.44	8.92	10.41	11.90	9.77	11.72	13.68	15.63
30	7.71	9.25	10.80	12.34	10.13	12.16	14.18	16.21
31	8.01	9.61	11.21	12.81	10.53	12.64	14.74	16.85
32	8.34	10.01	11.68	13.34	10.96	13.15	15.34	17.53
33	8.69	10.43	12.17	13.91	11.43	13.72	16.01	18.30
34	9.08	10.90	12.72	14.53	11.97	14.36	16.76	19.15
35	9.51	11.41	13.32	15.22	12.57	15.08	17.59	20.11
36	9.98	11.97	13.97	15.96	13.23	15.88	18.53	21.17
37	10.49	12.59	14.69	16.79	13.98	16.77	19.57	22.36
38	11.03	13.23	15.44	17.64	14.78	17.73	20.69	23.64
39	11.57	13.88	16.20	18.51	15.61	18.74	21.86	24.98
40	12.14	14.57	17.00	19.42	16.49	19.79	23.09	26.38
41	12.74	15.29	17.83	20.38	17.42	20.91	24.39	27.88
42	13.38	16.05	18.73	21.40	18.42	22.11	25.79	29.48
43	14.07	16.89	19.70	22.52	19.50	23.40	27.30	31.20
44	14.82	17.79	20.75	23.72	20.67	24.80	28.94	33.07
45	15.66	18.79	21.93	25.06	21.95	26.34	30.72	35.11
46	16.58	19.89	23.21	26.52	23.34	28.00	32.67	37.34
47	17.59	21.10	24.62	28.14	24.85	29.82	34.79	39.76
48	18.61	22.34	26.06	29.78	26.39	31.67	36.95	42.23
49	19.61	23.54	27.46	31.38	27.89	33.46	39.04	44.62
50	20.63	24.76	28.89	33.01	29.40	35.28	41.16	47.04
51	21.71	26.05	30.39	34.73	30.99	37.19	43.39	49.59
52	22.88	27.45	32.03	36.61	32.71	39.26	45.80	52.34
53	24.18	29.02	33.86	38.69	34.65	41.58	48.51	55.44
54	25.68	30.81	35.95	41.09	36.86	44.23	51.60	58.97
55	27.39	32.87	38.35	43.83	39.38	47.25	55.13	63.01
56	29.38	35.26	41.13	47.01	42.30	50.76	59.22	67.68
57	31.68	38.01	44.35	50.68	45.67	54.81	63.94	73.08
58	34.05	40.86	47.67	54.48	49.07	58.89	68.70	78.51
59	36.32	43.59	50.85	58.12	52.20	62.64	73.09	83.53
60	38.63	46.35	54.08	61.80	55.32	66.38	77.44	88.51
61	41.11	49.33	57.56	65.78	58.65	70.38	82.11	93.84
62	43.88	52.66	61.44	70.21	62.46	74.95	87.44	99.93
63	47.09	56.51	65.93	75.35	66.99	80.39	93.79	107.18
64	50.85	61.02	71.19	81.36	72.48	86.98	101.48	115.97
65	55.31	66.37	77.43	88.49	79.20	95.04	110.87	126.71
66	60.58	72.70	84.82	96.93	87.37	104.84	122.31	139.78
67	66.81	80.17	93.53	106.89	97.26	116.71	136.16	155.61
68	73.98	88.77	103.57	118.37	108.87	130.65	152.42	174.20
69	81.95	98.34	114.73	131.12	121.98	146.38	170.78	195.17
70	90.66	108.79	126.92	145.06	136.44	163.72	191.01	218.30
71	100.03	120.03	140.04	160.05	152.07	182.48	212.90	243.31
72	110.01	132.01	154.01	176.01	168.73	202.48	236.23	269.97
73	120.52	144.62	168.72	192.83	186.28	223.54	260.79	298.05
74	131.50	157.79	184.09	210.39	204.54	245.45	286.36	327.27
75	142.88	171.46	200.04	228.61	223.36	268.04	312.71	357.38
76	154.61	185.54	216.46	247.38	242.61	291.13	339.65	388.17
77	166.61	199.93	233.25	266.57	262.11	314.54	366.96	419.38
78	179.18	215.01	250.85	286.68	282.34	338.81	395.27	451.74
79	192.54	231.05	269.56	308.07	303.72	364.47	425.21	485.96
80	206.56	247.87	289.18	330.50	326.03	391.24	456.44	521.65
81	221.05	265.26	309.47	353.68	349.02	418.83	488.63	558.44
82	235.87	283.04	330.21	377.38	372.49	446.99	521.49	595.99
83	250.83	301.00	351.17	401.33	396.19	475.43	554.67	633.90
84	265.80	318.96	372.12	425.28	419.91	503.89	587.87	671.85
85	280.60	336.71	392.83	448.95	443.41	532.09	620.77	709.45
86	295.08	354.09	413.11	472.12	466.46	559.75	653.04	746.33
87	309.06	370.88	432.69	494.50	488.84	589.61	684.38	782.14
88	322.83	387.40	451.96	516.53	510.99	613.18	715.38	817.58
89	336.70	404.04	471.38	538.72	533.37	640.04	746.72	853.39
90	350.58	420.69	490.81	560.92	555.84	667.01	778.18	889.34

Continental Casualty Company

333 South Wabash Avenue A Stock Company
Chicago, Illinois 60604

Continental Casualty Company
Group Long Term Care
333 South Wabash Avenue
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1-(800)-528-4582

LONG TERM CARE INSURANCE

OUTLINE OF COVERAGE

Policy 9953-IS

THIS OUTLINE OF COVERAGE IS INTENDED TO BE A QUALIFIED LONG TERM CARE INSURANCE PLAN AS DEFINED BY THE INTERNAL REVENUE CODE OF 1986, §7702B(b).

In this outline of coverage the Continental Casualty Company is referred to as "We," "Our" or "Us." The insured is referred to as "You" or "Your."

Caution: If You complete an application to obtain this coverage, please be advised that issuance of coverage is based upon Your responses to the questions in that application. If Your answers are incorrect or untrue, We may have the right to deny benefits or rescind Your coverage.

A copy of the application or the enrollment form, as applicable, is attached to Your certificate. 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 Continental Casualty Company, Group Long Term Care, 333 South Wabash, Chicago, IL 60604.

If Your age has been misstated, the benefit will be in an amount that the premiums paid would have purchased at Your true age. If coverage would not have been issued, We will refund the premium paid.

1. **TYPE OF POLICY.** The policy is a group policy issued to the **Southern Methodist University** in the state of **Texas**.

2. **PURPOSE OF OUTLINE OF COVERAGE.** This outline of coverage provides a very brief description of the important features of Your coverage. You should compare this outline of coverage to outlines of coverage for other policies available to You. This is not the insurance contract but only a summary of coverage. Only the actual policy provisions will control. The policy itself sets forth in detail both Your rights and obligations and Ours. It is therefore important that You **READ YOUR CERTIFICATE CAREFULLY!**

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

   You have the right to return Your certificate within 30 days for a refund of the initial premium if You are not satisfied with the coverage.

   If You die, We will make a pro-rata return of premium paid for the period beyond the date of death.

4. **THE POLICY IS NOT A MEDICARE SUPPLEMENT POLICY.** If you are eligible for Medicare, review the Guide to Health Insurance for people with Medicare.

   Neither We nor Our agents represent Medicare, the federal government or any state government.

5. **LONG TERM CARE COVERAGE.** Long-term care insurance is designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services, and maintenance or personal care services, provided in a setting other than an acute unit of a hospital, such as in a nursing home, in the community, or in the home. Coverage is provided for the benefits outlined in paragraph 6 below. The benefits described in paragraph 6 below may be limited by the limitations and exclusions in paragraph 7 below.

6. **BENEFITS PROVIDED BY THE POLICY.** Benefits are payable for Long Term Care services received as part of a plan of care if You are Chronically Ill.

   WAITING PERIOD. To receive the long term care benefit You must first complete the waiting period stated in the "Plans At A Glance."

   LIFETIME MAXIMUM BENEFIT. We will pay the lifetime maximum benefit shown in the "Plans At A Glance." All amounts paid under any benefit provision in or attached to Your certificate, including any payments under the Alternate Plan of Care provision, count towards this maximum unless otherwise specified in specific benefit descriptions in the policy.

   LONG TERM CARE BENEFIT FOR FACILITY CARE. The benefit payable for facility care is stated in the "Plans At A Glance." Facility care consists of nursing home care, a bed reservation benefit, hospice facility care, and an assisted living facility benefit. Facility care must be received in a facility licensed by the state in which it is located or, if licensing is not required, meets the other requirements stated in the certificate.

   LONG TERM CARE BENEFIT FOR HOME BASED CARE. The benefit payable for home based care is stated in the "Plans At A Glance." Home based care consists of a home health care benefit, home hospice care, adult day care, a caregiver training benefit, and a home medical technology benefit. It must be received from a provider that is licensed or certified by the state in which it is located and which meets the other requirements stated in the certificate. We will waive the licensing and certification requirement for adult day care centers in states which do not regulate these facilities, provided they are certified by a recognized accrediting agency.

LONG TERM CARE BENEFIT FOR RESPITE CARE. The benefit payable for respite care is stated in the "Plans At A Glance." Respite care is the temporary use of the Facility Care or Home Based Care benefits to relieve informal caregivers of their duties so that they may have time off. The policy's waiting period does not apply to this benefit. You cannot receive respite care for more than the number of days shown in the "Plans At A Glance."

LONG TERM CARE BENEFIT FOR ALTERNATE PLAN OF CARE. If You require long term care, We may pay for alternate services, devices or types of care, not otherwise covered, under a written alternate plan of care. This benefit may specify benefits payable in a different manner than specified in the policy. It will be developed by or with health care professionals, agreed to by You, and approved by Your physician and Us. It must be a medically acceptable option.

CHRONICALLY Ill means (i)You have been certified by a Licensed Health Care Practitioner as being expected to be unable to perform, without Hands-On Assistance or Stand-by Assistance from another person, at least 2 Activities of Daily Living, as listed and defined below, for a period of 90 consecutive days, or (ii) having a level of disability similar (as determined under regulations prescribed by the Secretary in consultation with the Secretary of Health and Human Services) to the level of disability in (i) above, or (iii) requiring Substantial Supervision to protect You from threats to health and safety due to a Severe Cognitive Impairment.

You will not be considered Chronically Ill unless within the preceding 12 months a Licensed Health Care Practitioner has certified that the above requirements have been met.

ACTIVITIES OF DAILY LIVING.

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

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

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

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

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

Transferring. Sufficient mobility to move into or out of bed, chair, or wheelchair, or to move from place to place, either via walking, a wheelchair or other means.

SEVERE COGNITIVE IMPAIRMENT. A loss or deterioration in Your intellectual capacity that is (a) comparable to (and includes) similar forms of irreversible dementia, and (b) measured by clinical evidence and standardized tests that reliably measures impairment in the individual's:

1. Short term or Long term memory,
2. Orientation as to people, places or time, and
3. Deductive or abstract reasoning.

PLAN OF CARE. This is a program of treatment or care which is initiated and approved in writing by a Licensed Health Care Practitioner.

7. **LIMITATIONS AND EXCLUSIONS**

EXCLUSIONS. We will not pay benefits for the following:

(a) Long Term Care resulting from war or an act of war whether declared or undeclared;

(b) Long Term Care which would be provided without charge in the absence of insurance;

(c) Long Term Care received in a facility or section of a facility which operates primarily for the treatment of Substance Abuse; or mental illness;

(d) Long Term Care received outside the United States and its possessions;

(e) Long Term Care to the extent that benefits are payable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount.

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

8. **RELATIONSHIP OF COST OF CARE AND BENEFITS.** Because the costs of long term care will likely increase over time, You should consider whether and how the benefits of this plan may be adjusted. The benefit level is not guaranteed to increase over time unless an automatic benefit increase option or other inflation benefit is elected.

9. **TERMS UNDER WHICH YOUR COVERAGE MAY BE CONTINUED IN FORCE AND IS CONTINUED.**

RENEWABILITY. THE CERTIFICATE IS GUARANTEED RENEWABLE. This means You have the right, subject to the terms of the Certificate, to continue the Certificate as long as You pay Your premiums on time. Continental Casualty Company cannot change any of the terms of the Certificate on its own, except that in the future, IT MAY INCREASE THE PREMIUM YOU PAY.

NON-RENEWAL. The holder may elect not to renew the policy at any time by written notice to Us. We guarantee to renew the policy at the end of each renewal period unless the holder fails without good and sufficient cause to duly perform in good faith any obligation pertaining to the policy, or the number of persons insured under the policy is less than We require. Coverage may be continued as provided below if the policy is not renewed.

CONTINUATION OF COVERAGE. You become eligible to elect continuation of coverage on the date Your coverage under the group policy terminates. Coverage will be continued with the same benefits and provisions as You had prior to termination. If You elect continuation of coverage, Your coverage is effective as of the date Your coverage under the group policy terminates. You may not continue coverage if termination is due to nonpayment of premium or to the lifetime maximum benefit being reached.

WAIVER OF PREMIUM. We will waive premiums starting with the first premium due after You complete the Waiting Period. We will continue to waive premiums until the first of the month following the end of the Plan of Care.

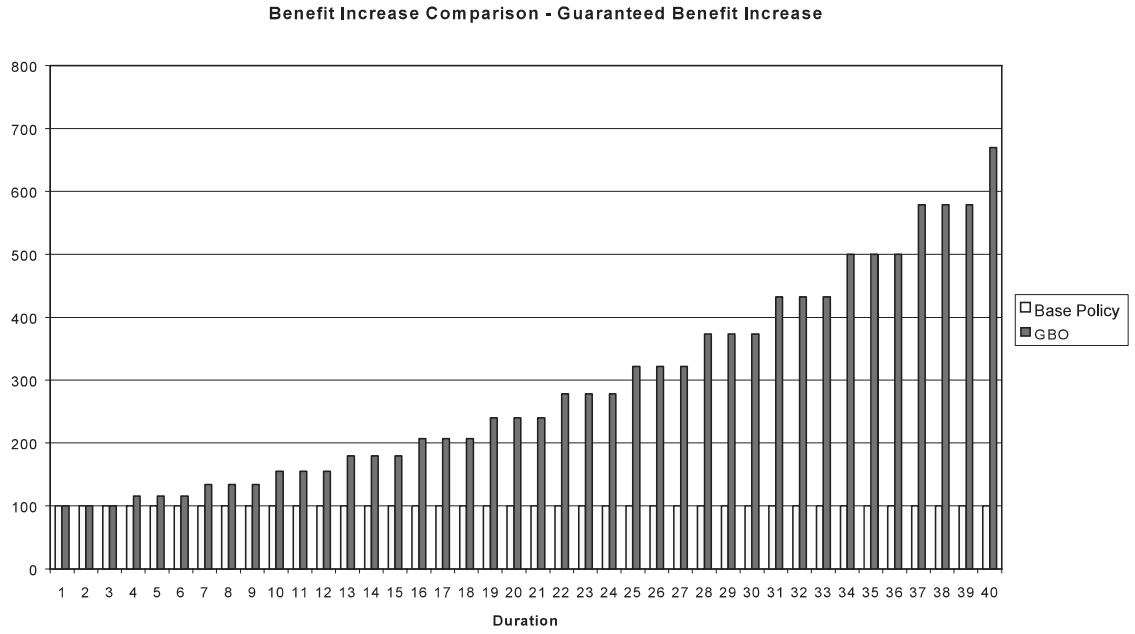
10. **ALZHEIMER'S DISEASE AND OTHER BRAIN DISORDERS.** Your policy provides benefits, subject to all of the provisions of the policy, for a clinical diagnosis of Alzheimer's disease and similar dementias; biologically based brain diseases/serious mental illness including schizophrenia; paranoid and other psychotic disorders; bipolar disorders (mixed, manic and depressive); major depressive disorders (single episode or recurrent) and schizo-effective disorders (bipolar or depressive).

11. **PREMIUM.** Premium rates are shown in the "Plans At A Glance."
If We do not receive Your premium on the Premium Due Date, We allow a grace period of 65 days for each premium due after the first premium. Your coverage stays in force during the grace period if You pay the premium due.

12. **DENIAL OF APPLICATION.** If your application for coverage is denied, we will refund any premiums paid within 30 days

13. **OFFER OF INFLATION PROTECTION**

GUARANTEED BENEFIT INCREASE. We will offer You an increase in benefits on each third anniversary of the master policy, as indicated in the "Plans At A Glance." Premiums for the increased amount will be based on Your attained age. Premiums for Your initial benefit amount will always be based on Your age when You entered the plan. You have the right to accept the benefit increase without showing evidence of insurability as long as You increased Your benefit amount at the previous benefit increase offer. If You declined an offer, You will be required to submit evidence of insurability.



14. **OFFER OF NONFORFEITURE BENEFIT**

CONTINGENT NONFORFEITURE BENEFIT. If Your premium has increased over the years to a certain percentage over Your initial premium, You may reduce Your level of benefits so that future premium increases would not apply, or You may continue Your same level of benefits but with a reduced Lifetime Maximum Benefit with no further premium being required.

15. **DISCLOSURE REGARDING FEDERAL TAX TREATMENT OF LONG TERM CARE INSURANCE POLICY.** The policy is intended to be a qualified long term care contract as defined by the Internal Revenue Code §7702B(b). There may be tax consequences associated with the purchase of a qualified long term care insurance contract, such as the tax deductibility of premiums and the exclusion from taxable income of benefits. The prospective insured is urged to consult with a qualified tax advisor.

16. **ADDITIONAL FEATURES.**

REINSTATEMENT OF COVERAGE. If your coverage should terminate for non-payment of premium because you were Chronically Ill, we will reinstate your coverage without requiring evidence of your insurability if you or the designated individual who also receives notification, requests it within five months following the termination.

UNINTENTIONAL LAPSE PROTECTION. You have the right to name an individual (friend or relative) to receive notification when Your policy will lapse because the premium has not been paid. This notice will be sent no earlier than 30 days after the date the premium is due, and the policy will not terminate until 30 days after such notice is given. Notice is considered to have been given as of 5 days after the date of mailing.

If payment is made for the policy through a payroll or pension deduction plan, we will inform You and the designated individual, no earlier than 60 days after You are no longer on a payroll or pension deduction plan.

If the policy should terminate for non-payment of premium because You were Chronically Ill, We will reinstate the policy without requiring evidence of insurability if You or the designated individual requests it within five months following the termination.

CAREGIVER BENEFIT. This benefit provides a cash payment for informal care received in Your residence equal to the amount shown in the "Plans At A Glance." Informal care benefits are not payable while You are receiving Facility Care; however, they are payable while You are receiving Home Based Care. Informal care being provided must be greater than care or services the informal caregiver provides for others residing in Your residence or wherever care is provided. An informal caregiver is a person who is approved by Us as being experienced in or trained to provide informal care, is physically capable of providing informal care to You, and is not paid as a home health care provider under the policy.

Information and Counseling Notice

Some states provide information and counseling programs on long-term care insurance and long-term care services. If you reside in any of the following states, such information and counseling programs are available to you.

Alabama
ElderConnect Alabama is a statewide database of organizations which provide services to older adults and their family members. Please call 1-800-AGELINE (1-800-243-5463) for more information.

Arkansas
Arkansas will help you in choosing a Long term care facility that is suitable for your specific needs. Please write to Arkansas Division of Aging and Adult Services at

P.O. Box 1437 Slot S-530,
1417 Donaghey Plaza South
Little Rock, AR 72203-1437
or call (501) 682-2441.

California
The Health Insurance Counseling and Advocacy Program (HICAP) provides long term care insurance counseling and other health counseling to California Senior Citizens. Please call their toll-free number at 1-800-434-0222 or assessing the Department of Insurance's web site at (www.insurance.ca.gov)

Connecticut
The State of Connecticut has joined forces with private insurance companies to provide CT residents with unbiased information about the need for long term care and way to get needed care without depleting assets. Contact:

Connecticut Department of Aging
Elderly Services Division
25 Sigourney St., 10th floor
Hartford, CT 06106.

Delaware
ELDERinfo provides long term care counseling to Delaware senior citizens. For information on ELDERinfo, call 1-800-336-9500 or write to:

State of Delaware
Department of Insurance
841 Silver Lake Boulevard
Dover, DE 19904
District of Columbia

Nursing Home Services. These programs connect seniors with assisted living facilities and long term care homes specializing in nursing care. Contact:

District Office on Aging
441 4th St. NW Suite 900 S
Washington, DC 20001
or call (202) 724-5622.

Illinois
The Illinois Senior Health Insurance Program provides information and counseling to Illinois senior citizens. For information on the Illinois Seniors Health Insurance Program, contact:

Senior Health Insurance Program
Illinois Division of Insurance
320 West Washington
Springfield, IL 62767
1-800-548-9034

Kansas
The Kansas Department on Aging and the Kansas Department of Insurance have senior programs available to Kansas senior citizens. For information on these programs, contact:

Kansas Department on Aging
New England 503 S Kansas
Topeka KS 66603-3404
1-800-432-3535

Kansas Department of Insurance
420 SW 9th Street
Topeka KS 66612
1-785-296-3071

Kentucky
The Kentucky Benefits Counseling Program provides information and counseling service for persons age 60 or older.
To schedule an appointment with a benefit specialist, contact the Kentucky Division of Aging Services at: 1-502-564-6930

Louisiana
The Louisiana Senior Health Insurance Program (SHIIP) provides information and counseling to Louisiana senior citizens. For information on SHIIP, contact:

Louisiana Department of Insurance
P.0. Box 94214
Baton Rouge, LA 70804
1-800-259-5301

Maryland
The Eldercare Locator at the Administration on Aging (AOA) connects older Americans in MD and their caregivers with sources of information on senior services. You may call 1-800-677-1116 or contact the Maryland Department of Aging at:

Maryland Department of Aging
301 West Preston Street, Suite 1007
Baltimore, MD 21201
Phone: 410-767-1100
Toll Free: 1-800-243-3425
FAX: 410-333-7943

Maine
The Maine Bureau of Insurance provides assistance or information about Long Term Care insurance to Maine residents.

You may contact the Maine Bureau of Insurance at 1-800-300-5000. You may also contact them by mail at the following address or you can visit their website at maineinsurancereg.org.

Maine Bureau of Insurance
34 State House Station
Augusta, ME 04333

Massachusetts
To assist consumers and caregivers as well as professionals seeking information and resources on eldercare services, please contact:

Office of Elder Affairs
One Asburton Place, 5th Floor
Boston, MA 02108
Phone: 617-727-7750
Toll Free:
1-800-882-2003 (MA only)
1-800-872-0166 (TTY)
Fax: 617-727-9368

For questions regarding Elder Affairs programs and/or services, please call: 1-800-AGE-INFO (1-800-243-4636)

Michigan
The Michigan Office of Services to the Aging is dedicated to educating Michigan's seniors on programs and services available in Michigan to enhance the lives of its senior population. You may contact them at:

Michigan Office of Services to the Aging
7109 West Saginaw, First Floor
Lansing, MI 48917, or

You may also contact Michigan's Department of Community Health at:

Sixth Floor, Lewis Cass Building
320 South Walnut Street
Lansing, Michigan 48913
Phone: 517-373-3740

Minnesota

Department of commerce:
651-296-4026
(TTY) 651-296-2860

MN Senior Federation:
800-365-8765 or
651-221-0599
www.mnseniorfed.org

Minnesota Board on Aging:
(TTY) 1-800-627-3529
651-296-2770
www.mnaging.org

LinkAGE Line:
1-800-333-2433

Minnesota Health Information Clearinghouse:
1-800-657-3793 or
(TDD) 651-215-8980
www.health.state.mn.us/clearinghouse

Mississippi

The Mississippi Department of Human Services, Division of Aging and Adult Services is dedicated to keeping pace with the needs of the state's older citizens and to improving their quality of life. The Mississippi Insurance Counseling and Assistance Program (MICAP), also known as the State Health Insurance Assistance Program (SHIP), is a counseling program designed to answer the elderly adult's questions about health insurance. For Information and Assistance contact:

Mississippi Dept. of Human Services
Division of Aging and Adult Services
750 N. State St.
Jackson, Mississippi 39202
Phone: 601-359-4929
Toll Free: 800-948-3090

Missouri

The state of Missouri provides free insurance counseling for senior citizens. Please contact CLAIM (Community Leaders Assisting the insureds of Missouri) at 1-800-390-3330.

Montana

If you have questions or concerns regarding senior and/or long term care, or related local services, you may directly contact the DPHHS/Senior and Long Term Care Division or at the Area Agency on Aging office in your community at:

Senior and Long Term Care Division
111 North Sanders, Room 210
Helena, Mt 59604
Phone: 406-444-4077
Fax: 406-444-7743

Aging Hotline (toll-free in Montana):
1-800-332-2272

Nebraska

The Nebraska Senior Health Insurance Information Program (SHIIP) provides information and counseling to older Nebraskans regarding Medicare, Medicaid, and health insurance. For more information, contact:

Department of Health & Human Services
Division of Aging & Disability Services
301 Centennial Mall South
Lincoln, NE 68509
Phone: 402-471-4623
Toll Free: 800-942-7830
Fax: 402-471-4619

Nevada

The State Health Insurance Assistance Program (SHIP) volunteers offer FREE one-on-one assistance and counseling with respect to many problems seniors encounter regarding Medicare, supplemental health insurance and long-term care options. You may contact:

Nevada Department of Aging
3416 Goni Road, Building D-132
Carson City, NV 89706
Phone: 775-687-4210
Fax: 775-687-4264

New Hampshire

The Bureau of Elderly and Adult Services provides a variety of social and long-term supports to adults age 60 and older. Contact the:

New Hampshire Department of Aging
State Office Park South
129 Pleasant Street, Brown Bldg. #1
Concord, NH 03301
Phone: 603-271-4680
Fax: 603-271-4643

New Jersey

NJ EASE (New Jersey Easy Access, Single Entry) is the easy way for seniors and their families to get information about and access senior services, and help you learn about and apply for important programs and benefits. Call this toll free phone number: 877-222-3737 or contact:

New Jersey Department of Aging
P. O. Box 360
Trenton, NJ 08625-0360
Phone: 609-943-3345
Fax: 609-943-3343

New Mexico

The programs within the Consumer and Elder Rights Division assure elderly and disabled citizens of New Mexico protection of their rights to adequate standards of care and access to essential benefits, goods and services. For more information, contact the NM Aging and Long Term Services Department at:

Toney Anaya Building
2550 Cerrillos Road
Santa Fe, NM 87505
Phone: 505-476-4799;
Toll Free: 866-451-2901
Resource Center: (toll-free in NM)
1-800-432-2080

New York

Health Insurance Information, Counseling and Assistance Program (HIICAP) provides free, confidential, accurate and unbiased health insurance information, counseling and assistance. Please contact:

New York State Office for the Aging (NYSOFA)
2 Empire State Plaza
Albany, New York 12223-1251
Hot Line: 800-342-9871

North Carolina

The North Carolina Seniors Health Insurance Information program provides information and counseling to North Carolina senior citizens. For Information on this program, please contact:

North Carolina Senior's Health Insurance Information Program
c/o North Carolina
Department of Insurance
1201 Mail Service Center
Raleigh NC 27699-1201
1-800-443-9354

North Dakota

The Department of Human Services operates a Senior Information and Assistance Service. Contact the:

North Dakota Department of Aging
600 South 2nd Street, Suite 1C
Bismarck, ND 58504
Phone: 701-328-891
Toll Free: 800-451-8693
TDD (701) 328-8968
Fax: (701) 328-8989

Ohio

The state of Ohio provides free insurance counseling for senior citizens .Please contact the insurance department at 1-800-686-1578 for more information on the Ohio Senior Health Insurance Information Program.

Oregon
The state of Oregon Department of Human Services, among its many departments, operates programs that help seniors and people with disabilities arrange and pay for in-home and other needed services. It also licenses and monitors long-term care facilities, and develops corrective action plans for facilities that are out of compliance.

Oregon Department of Human Services
Seniors and People with Disabilities
500 Summer St. NE E02
Salem, OR 97301-1073
Phone: 503-945-5811
TTY: 800-282-8096

Oklahoma
The state of Oklahoma provides free assistance to its senior citizens at:

Oklahoma Department of Aging
2401 N.W. 23rd St., Suite 40
Oklahoma City, OK 73107-2413
Phone: 405-521-2281 or 521-2327
Fax: 405-521-2086

Pennsylvania
There are many long term care and service options available throughout Pennsylvania. Counselors on the Long Term Care Helpline will be able to provide information and refer the caller to the local agencies that can provide assistance with planning and arranging long term care services.

Long Term Care Helpline:
1-866-286-3636 or contact the following:

Commonwealth of Pennsylvania
Department of Aging
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1919
Office: 717-783-1550
e-mail: aging@state.pa.us

Rhode Island
The Rhode Island Senior Health Insurance Program (SHIP) offers information and assistance to Medicare beneficiaries and to older adults. Call the Rhode Island Department of Elderly Affairs to find the local SHIP counselor.

The Rhode Island Department of Elderly Affairs provides the services of a long term care ombudsman for residents of assisted living facilities, nursing homes, and home care clients.

Rhode Island
Department of Elderly Affairs
John O. Pastore Center
Benjamin Rush Building #55
35 Howard Avenue
Cranston, RI 02920

South Dakota
The Adult Services and Aging division of the South Dakota Department of Social Services provides opportunities that help disabled adults and older South Dakotans live independent, meaningful, and dignified lives while maintaining close family and community ties. The South Dakota Advisory Council on Aging and the Interagency Coalition on Aging also guide the development of programs and services for older South Dakotans.

Department of Social Services
Adult Services and Aging
700 Governors Drive
Pierre, SD 57501
605-773-3656
1-866-854-5465

Tennessee
The Tennessee Commission on Aging & Disability protects the rights, meets the needs, and preserves the dignity of older Tennesseans and Adults with disabilities needing home and community services through visible and effective advocacy, leadership, and stewardship.

Aging Commission of the Mid-South
Delta Area Agency on Aging
2670 Union Avenue Extended
Suite 1000
Memphis, TN 38112-4428
Tel: 901-324-6333
FAX: 327-7755
Information & Referral
901-324-2670
Web Site:
http://www.agingcommission.org

Texas
The Texas Department of Aging and Disability Services has toll-free and helpful numbers:

Aging Programs and Services:
1-512-438-3200
Aging Texas Well: 1-512-438-4347
Area Agencies on Aging:
1-800-252-9240
State Long Term Care Ombudsman
Program: 1-800-252-2412

Utah
The Utah Division of Aging and Adult Services has a Long Term Care Ombudsman Program to advocate for and protect the rights of residents of nursing and care homes. The program's primary purpose is to improve the quality of life, care, and environment of long-term care residents.

Also, one may contact the following:
Utah Division of Aging and Adult Services
120 N 200 W Suite 325
Salt Lake City, UT 84103
Phone: 1-801-538-3910

Vermont
The Department of Aging and Independent Living (Division of Advocacy and Independent Living) helps the resident choose the care options right for them.

There are several organizational units that comprise the Division, namely:

The Independent Living Unit: 802-214-2427
Personal Services Unit: 802-241-2402

Virginia
The Virginia Insurance Counseling and Assistance Program is available for residents of Virginia. For more information, please contact:

Virginia Dept for the Aging
1610 Forest Avenue
Suite 100
Richmond, VA 23229
1-800-552-3402

Washington
The Vision Statement of the Washington Association of Area Agencies on Aging is to provide a comprehensive and coordinated local approach to managing a home, community and residential system of services that are client centered, allow maximum flexibility and promote the efficient use of resources; emphasizing the least restrictive interventions and building on the individuals and their family's strengths and responsibility.

Washington Association of Area
Agencies on Aging (W4A)
W4A Headquarters
1501 S Capital Way, #103
Olympia, WA 98501-2293
http://www.agingwashington.org
360-570-2239

West Virginia
Available for residents of WV is the following:

West Virginia Bureau of Senior Services
1900 Kanawha Boulevard, East
State Capitol Complex
Charleston, West Virginia 25305-0160
Telephone: 304-558-3317

Wisconsin
Bureau of Aging & Long Term Care
Resources
1 W. Wilson Street, Room 450
Post Office Box 7851
Madison, WI 53707-7851
608/267-3203 Bureau Fax
608/267-9880 Bureau TTY

Wyoming
The Wyoming State Health Insurance Assistance Program (WSHIIP) offers information, counseling and assistance on long term care, Medicare supplement and other insurance issues for senior citizens. You may contact WSHIIP at 1-800-856-4398 for more information.

Important Notice to Persons on Medicare

This insurance Duplicates some Medicare Benefits

Some healthcare services paid for by Medicare may also trigger the payment of benefits under this policy.

Federal law requires us to inform you that in certain situations this insurance may pay for some care also covered by Medicare:

This is long-term care insurance that provides benefits for covered nursing home and home healthcare services.

In some situations Medicare pays for short periods of skilled nursing home care, limited home health services and hospice care.

This insurance does not pay your Medicare deductibles or coinsurance and is not a substitute for Medicare supplement insurance.

Neither Medicare nor Medicare supplement insurance provides benefits for most long-term care expenses.

Before You Buy This Insurance

Check the coverage in all health insurance policies you already have.

For more information about long-term care insurance, review the Shopper's Guide to Long-term Care Insurance, available from the insurance company.

For more information about Medicare and Medicare supplement insurance, review the Guide to Health Insurance for People with Medicare, available from the insurance company.

For help in understanding your health insurance, contact your state insurance department or state senior insurance counseling program.

Notes:

Notes:

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