

# MutualCare<sup>®</sup> Custom Solution

Long-Term Care Insurance



## Connecting You to What Matters Most

If you're like most people, you probably know someone who has needed long-term care services. Maybe you've been a caregiver yourself. Either way, you may be wondering how you'll handle your own long-term care needs. Will your family take care of you? Will you be able to stay in your home? How will the need for care impact your retirement nest egg?

### Stay Connected

A MutualCare® Custom Solution insurance policy can help you stay connected to the things that are most important by providing funds to help pay for the services you need. And that may allow you to:

- Balance the help you receive from family members with professional caregiving services
- Stay at home as long as possible while getting the care you need
- Protect a portion of your retirement nest egg from the cost of long-term care services

You've already taken an important step toward planning for a secure future. Adding a MutualCare® Custom Solution insurance policy to your retirement portfolio provides an added measure of security.

## Understanding Your Policy

Your MutualCare® Custom Solution policy is designed to help you get the long-term care services you need in the setting that's right for you – whether at home, in an assisted living facility or in a nursing home.

### Things to Consider

When determining how much coverage you may need, here are some things to consider:

- What do you anticipate your cost will be for long-term care services? (Your agent/producer can show you the average cost of care in your area.)
- How much can you afford to contribute to the cost of your care?
- How much will you need your policy to pay in benefits each month?
- How long do you think you will need long-term care services?
- How long can you wait until your policy begins paying benefits?

## The Basics of Your Policy

**Policy Limit** – This is the initial maximum dollar amount payable over the life of the policy. You may choose a policy limit of:

- \$50,000 to \$500,000

**Monthly Benefit** – This is the initial maximum dollar amount your policy will pay each month. You may choose a monthly benefit of:

- \$1,500 to \$10,000  
(subject to monthly benefit and policy limit combinations)

**Calendar Day Elimination Period** – Your policy has a waiting period before policy benefits begin. The elimination period starts on the first day you are chronically ill and you receive a covered service. Once the elimination period has been satisfied, benefits for covered services are paid to you each month, up to the maximum monthly benefit you select. Your options include:

- 0, 30, 60, 90, 180 or 365 calendar days



## Benefits Included in Your Policy

**Cash Benefit** – Electing to receive policy benefits in cash may be a helpful strategy as you develop a permanent plan of care. There's no elimination period to satisfy. No bills to collect and mail for reimbursement. You can simply use the cash to pay for services to support your plan of care. Your cash benefit equals:

- **40 percent of the policy's home health care benefit**

The cash benefit pays up to an initial maximum of \$2,400 each month. This amount may increase if an inflation protection benefit is added to the policy.

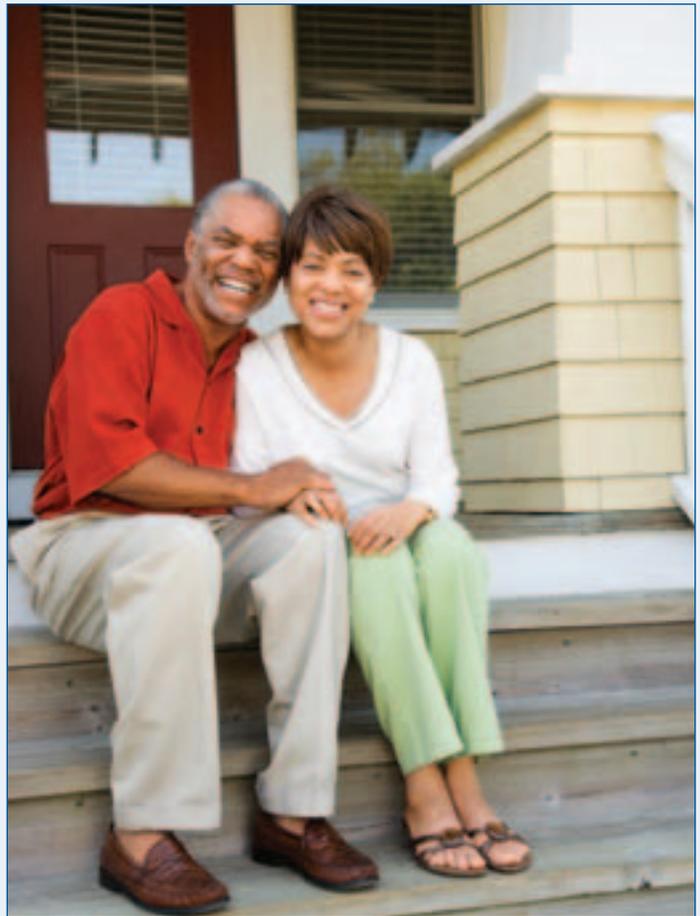
**Home Health Care** – Benefits are provided to help you stay at home as long as possible. These include:

- Personal care services to assist with the activities of daily living
- Homemaker services to provide help with grocery shopping, meal preparation and housekeeping
- Professional services of a registered nurse, home health aide or therapist
- Adult day care services

**Facility Care** – Sometimes, more care is needed than can be provided at home. Should this happen, your policy also covers assisted living and nursing home care, up to 100 percent of your monthly benefit. The policy also will pay to reserve your bed in a facility for up to 30 days per calendar year should you need to leave the facility for any reason.

**Care Coordination** – Finding long-term care services may seem overwhelming. So we give you access to the services of a care coordinator – a licensed health care professional who will assess your needs, develop an individualized plan of care and help you arrange for long-term care services. There's no elimination period to satisfy for care coordination services, and use of a care coordinator makes you eligible for additional benefits designed to help you remain safely in your home, including:

- Caregiver training
- Durable medical equipment
- Home modification
- Medical alert system



**Respite Care** – Unpaid caregivers often need a break. So your policy provides short-term relief by including a benefit to hire a temporary replacement for up to one month per calendar year. No elimination period is required to receive this benefit.

**Hospice Care** – If you are terminally ill and not expected to live beyond six months, your policy will pay for hospice care received in any setting. No elimination period is required to receive this benefit.

**International Benefit** – If you're traveling outside the United States, Canada or the United Kingdom when the need for care arises, your policy will pay the maximum monthly benefit of your policy for up to 12 months for covered long-term care services you receive.

**Waiver of Premium** – We don't want you to worry about paying premiums when you are receiving care, so we waive premiums while you are receiving the cash benefit or covered home health care services at least eight days in a month or assisted living or nursing home services.

**Alternate Care** – We know there may be long-term care services or treatments that don't exist today yet may become standard practice in the future. Your policy may pay benefits for qualified treatments or services not specifically listed in the policy when recommended by your care coordinator.

## Optional Benefits

**Inflation Protection** – The cost of long-term care services is likely to be higher down the road when you need care. So you have the option to add an inflation protection benefit, which increases your maximum monthly benefit and remaining policy limit each year. A five percent compound inflation protection option is required to be offered to all applicants.

- **Inflation percentage: 1 percent to 5 percent compound in .25 percent increments**
- **Inflation duration: Lifetime, 20 years, 15 years, 10 years**

**Inflation Protection Buy-Up Option** – Your inflation protection benefit also includes a buy-up option that allows you to increase your inflation protection once a year. Your total level of inflation protection cannot exceed five percent. The increase is effective on the policy anniversary following the election with benefit increases occurring the following anniversary. You are eligible for the buy-up option as long as your policy is not paid up, you are not receiving a waiver of premium or you have not been chronically ill for at least two years. The buy-up option is available for the lesser of 20 years or until age 75.

**Shared Care** – If you run out of benefits but still need care, you can access benefits under your partner's identical policy, providing you leave at least one year of benefits for your partner. In addition, if either partner dies while both policies are in force, the surviving partner receives the deceased partner's remaining policy limit without having to pay the deceased partner's premium.

**Security Benefit** – If your partner doesn't have a long-term care insurance policy, the security benefit can help ensure he or she is cared for while you receive long-term care services. Your policy will pay an additional 60 percent of your monthly reimbursement benefit that can be used to help pay for care or living expenses for your uninsured partner. This will not reduce your policy limit.

**Joint Waiver of Premium** – If one partner is receiving covered long-term care services, this benefit waives premium on both partners' policies. If your premium increased because you purchased additional coverage after your policy was issued, such as an increased level of inflation protection, that portion of your premium will not be waived until the increase has been in effect for 10 years.

**Survivorship Benefit** – If one partner dies after both policies have been in force for 10 years, the premium is waived for the surviving partner for the remainder of his or her lifetime. If your premium increased because you purchased additional coverage after the policy was issued, such as an increased level of inflation protection, that portion of your premium will not be waived until the increase has been in effect for 10 years.

**Reduced Benefit for Home Health Care and/or Assisted Living Facility** – Your policy will pay up to 100 percent of the maximum monthly benefit for home health care and assisted living facility care. However, if your primary concern is paying for nursing home care, you have the option to reduce your benefits for home health care and/or assisted living services. Keep in mind that reducing your benefit for home health care also reduces your cash benefit proportionally. You have two reduced benefit options:

- **50 percent or 75 percent of the maximum monthly benefit**

**Waiver of Elimination Period for Home Health Care** – This allows you to begin receiving home health care benefits immediately with no elimination period to satisfy. Once home health care benefits begin, your elimination period for nursing home and assisted living will begin to be satisfied on a calendar-day basis. This means days in which the elimination period is waived for home health care or adult day care will be used to satisfy the elimination period for other benefits available under your policy.

**Professional Home Health Care** – This benefit makes additional funds available when the monthly cost for services provided by a nurse\* or skilled professional specializing in physical, respiratory, occupational or speech therapy, audiology, nutrition or chemotherapy administration exceeds the maximum monthly benefit amount of your policy. Your policy will pay up to an additional 100 percent of the home health care maximum monthly benefit for these covered services.

\*Additional funds for home health care services provided by a nurse are limited to 365 days over the life of the policy.

**Return of Premium** – If you're concerned about not using all your policy benefits, you can add a return of premium benefit that, upon your death, refunds up to the full amount of premium you paid, excluding claims paid by the policy. You have three return of premium options:

- **Return of premium three times the maximum monthly benefit\***
- **Return of premium if death occurs before age 65**
- **Return of premium at death**

\*The policy must be in force for 10 years. Excludes any inflation increases. If coverage is decreased, premium returned will be based on the decreased amount.

**Non-Forfeiture Shortened Benefit Period** – If for any reason you stop paying premiums after your policy has been in force for three years, this allows for your coverage to continue on a reduced basis.

## Additional Information about Your Policy

**How You Become Eligible to Receive Benefits** – You are eligible to receive policy benefits if you are chronically ill and a licensed health care practitioner submits a plan of care prescribing qualified long-term care services.

That means you will need help with at least two of the six activities of daily living for at least 90 consecutive days. These activities include bathing, dressing, eating, transferring, toileting and continence. You also are eligible for benefits if you are certified to need continual supervision due to a severe cognitive impairment.

Once you are eligible for benefits, your policy's elimination period begins. Remember this is the waiting period before benefits are payable. The elimination period starts on the first day you are chronically ill and you receive a covered service. Once the elimination period has been satisfied, benefits for covered services are paid to you each month, up to the maximum monthly benefit you select. As long as you remain eligible, benefits for covered services will be paid to you until your policy limit is reached.

**How Benefits are Paid** – You have two options when it comes to how you receive policy benefits – cash or reimbursement. You choose which you prefer. You also have the flexibility to select a cash benefit one month and reimbursement benefit the next.

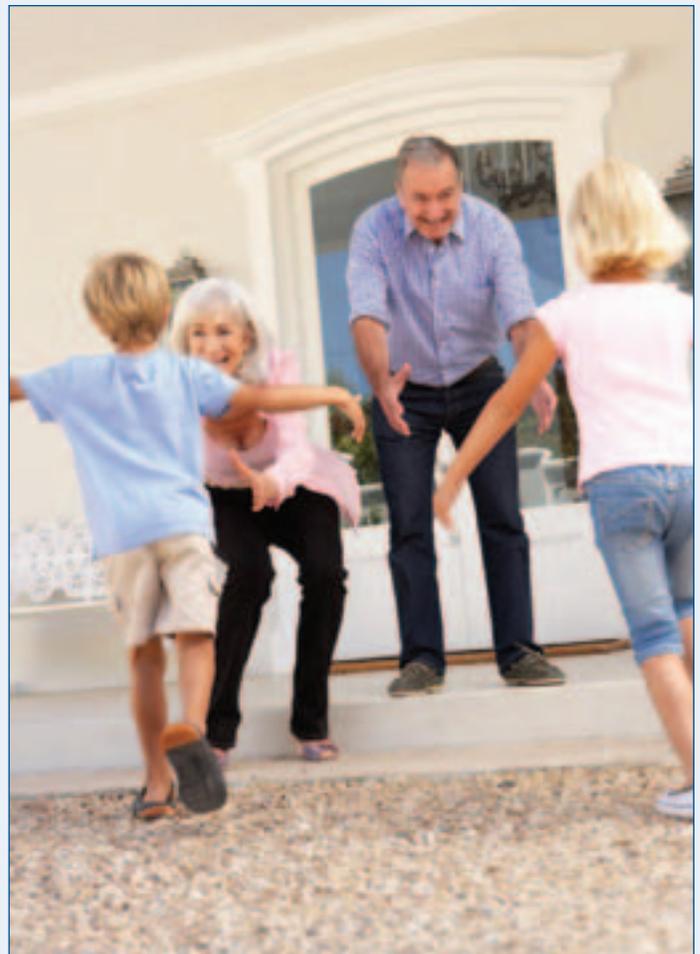
- **Cash** – The cash benefit pays a reduced benefit equal to 40 percent of the policy's maximum monthly home health care benefit, up to an initial maximum of \$2,400 each month. This amount may increase if an inflation protection benefit is added to the policy. There's no elimination period to satisfy to receive the cash benefit and you can use the cash to pay for services to support your plan of care
- **Reimbursement** – You also have the option to receive a traditional reimbursement benefit, which is reimbursement for actual covered long-term care expenses you incur, up to the maximum monthly benefit of your policy. The policy's elimination period must be satisfied before reimbursement benefits begin

Keep in mind that you cannot receive cash and reimbursement benefits at the same time. Also, days in which you receive a cash benefit do not count toward satisfying the policy's elimination period for reimbursement benefits.

**How You Can Save on Your Premium** – We want to help you keep your long-term care insurance premium as affordable as possible, so we offer several ways to help you save. You may qualify for one or more of the following premium allowances:

- **Partner (both issued)** – 30 percent savings when the same policy form is issued to you and your partner
- **Partner (one issued)** – 15 percent savings if you are married but coverage is not issued on your partner
- **Preferred** – 15 percent savings if you are in good health

**NOTE:** Partner means one person who is your spouse to whom you are legally married; your registered domestic or civil union partner; or an adult person with whom you share a serious and committed personal relationship that is intended to be lifelong and with whom you have shared a common permanent residence on a continuous basis for the most recent three years.



## **We Want You to be Confident in Your Decision**

This brochure provides an overview of your MutualCare® Custom Solution insurance policy. Your outline of coverage provides complete details, including exclusions, limitations, reductions and terms under which the policy may remain in force or be discontinued. If for any reason, you decide a long-term care insurance policy is not right for you, you may return it to us within 30 days for a full refund of any premium you paid.

