

GUARANTEE TRUST LIFE INSURANCE COMPANY
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**SHORT TERM CARE INSURANCE
OUTLINE OF COVERAGE**
For Policy Form Number G1700-CT

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

Caution: The issuance of this short-term care insurance policy is based upon your responses to the questions on your application. A copy of your application will be attached to your policy. If your answers are incorrect or untrue, the company has the right to deny benefits or rescind your policy. 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 the company at the address shown above.

1. This policy is an individual policy of insurance that was issued in Connecticut.
2. **PURPOSE OF OUTLINE OF COVERAGE.** This outline of coverage provides a very brief description of the important features of the policy. You should compare this outline of coverage to outlines of coverage for other policies available to you. This is not an insurance contract, but only a summary of coverage. Only the individual policy contains governing contractual provisions. This means that the policy itself sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you READ YOUR POLICY CAREFULLY!
3. **TERMS UNDER WHICH THE POLICY MAY BE RETURNED AND PREMIUM REFUNDED.**
 - A. You have the right to examine your policy for 30 days from the date you receive it. If for any reason you are not satisfied with your policy, you may return it to us for a complete refund of all premium paid. We'll then consider the policy void as of its effective date.
 - B. Except for a refund of any premium paid beyond your date of death, the policy does not provide for a refund of any unearned premium if you choose to cancel this coverage after the 30-day "free examination" period.
 - C. In the event we decline your application for coverage, we'll refund any monies paid within 30 days of our notice to you declining the coverage.
4. **THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.** If you are eligible for Medicare, review the *Guide to Health Insurance for People with Medicare* available from the insurance company. Neither Guarantee Trust Life Insurance Company nor its agents represent Medicare, the federal government or any state government.
5. **THIS IS NOT A LONG TERM CARE POLICY. IT IS NOT TAX QUALIFIED AND DOES NOT PROVIDE ASSET PROTECTION.**
6. **SHORT TERM CARE COVERAGE.** Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative,

maintenance, or personal care services, provided in a setting other than an acute unit of a hospital, such as in a nursing home, in the community or in the home for a limited time.

This policy provides coverage in the form of a fixed dollar indemnity benefit for covered short term care expenses, subject to policy limitations and elimination period requirements.

7. **BENEFITS PROVIDED BY THIS POLICY.**

A. COVERED CARE AND SERVICES:

Nursing Home Care: We'll pay the Daily Benefit Amount for each day of your confinement in a Nursing Home. All levels of care (skilled, intermediate and custodial) are covered.

Assisted Living Facility Care: We'll pay the Daily Benefit Amount for each day you reside in an Assisted Living Facility.

Home Health Care: We'll pay the Daily Benefit Amount for each day you receive care (medical and non-medical services) provided by a Home Health Care Practitioner in your Home.

Adult Day Care: We'll pay the Daily Benefit Amount for each day you receive the following Adult Day Care services provided at an Adult Day Care Facility: (a) visits by a licensed nurse to give part-time or intermittent care; (b) occupational, physical, or speech therapy; (c) social, recreational and educational events designed to improve the patient's self-awareness and level of functioning; and (d) training and help with the Activities of Daily Living.

Hospice Care: In the event of terminal illness, we'll pay the Daily Benefit Amount for each day you receive Hospice Care services.

OPTIONAL BENEFIT: (Available for an additional premium)

Compound Increasing Inflation Protection Benefit Rider RG17IPB – Each anniversary, this rider increases the current Daily Benefit amount by three percent (3 %) compounded annually.

BENEFIT LIMITS:

Elimination Period: _____ days

Daily Benefit Amount: \$ _____

Maximum Benefit Period: _____ days

The Elimination Period is the number of days for which no benefits are payable under the policy. The Elimination Period must be satisfied once during the life of the policy and can only be satisfied by days on which Short-Term Care Services are received and for which payment would be made under this policy if there were no Elimination Period. The Elimination Period does not apply to the receipt of Hospice Care services.

B. ELIGIBILITY FOR BENEFITS AND CONDITIONS FOR PAYMENT

Before benefits will be payable under the policy:

1. A Licensed Health Care Practitioner must certify that You have a Loss of Functional Capacity or Cognitive Impairment and Short-Term Care Services are needed pursuant to a Plan of Care; and
2. The Elimination Period, if any, must be satisfied.

Loss of Functional Capacity means the inability to perform at least two (2) Activities of Daily Living without human assistance or supervision.

Activities of Daily Living means the following six (6) basic activities of daily living:

- Bathing - washing oneself by sponge bath 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 or 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 - the ability to put on or take off all items of clothing and any necessary braces, fasteners or artificial limbs.
- Eating - the ability to feed oneself by getting food into the body from a receptacle (e.g., plate, cup, table) or by a feeding tube or intravenously.
- Toileting - the ability to get to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- Transferring - the ability to move into or out of a bed, chair or wheelchair without assistance.

Cognitive Impairment means a deterioration or loss in intellectual capacity which requires Substantial Supervision to protect oneself from threats to health and safety. Cognitive Impairment is measured by clinical evidence and standardized tests that reliably measure impairment in one's: (1) short or long-term memory; (2) orientation as to people, places, or time; and (3) deductive or abstract reasoning.

Such loss of intellectual capacity can result from the following covered conditions: Alzheimer's disease, Parkinson's disease, senile dementia or other nervous or mental disorders of organic origin.

8. LIMITATIONS AND EXCLUSIONS.

- A. Pre-existing Conditions Limitation. Coverage under the policy is subject to a pre-existing condition limitation. Pre-existing conditions are those medical conditions disclosed or not disclosed on the application for which medical advice or treatment was recommended or received from a Doctor within six months prior to the Effective Date of your coverage. Any loss due to a pre-existing condition is not covered unless the loss begins more than six months after the Effective Date of coverage.
- B. Exclusions - The policy does not cover:
1. Loss that is caused by declared or undeclared war or any act thereof;
 2. Loss that is caused by Mental or Nervous Disorders without demonstrable organic disease;
 3. Loss that is caused by intentionally self-inflicted Injury while sane or insane;
 4. Services provided by a member of the Immediate Family; or in a facility owned or operated by a member of the Immediate Family (We will not consider care to have been provided by a member of your immediate family when he or she is a regular employee of the organization that is providing the services; and the organization receives payment for

- the services; and the family member receives no compensation other than the usual compensation as an employee of such an organization);
5. Services and supplies not included in your Plan of Care;
 6. Services for which no charge is normally made in the absence of insurance;
 7. Loss that occurs while this policy is not in force;
 8. Confinement or care received outside the United States or its territories;
 9. Loss that is caused by participation in a felony, riot or insurrection;
 10. Services for which benefits are payable under any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; or
 11. Confinement due to alcoholism or drug addiction.

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

9. **RELATIONSHIP OF COST OF CARE AND BENEFITS** – Because the costs of short term care services will likely increase over time, you should consider whether and how the benefits of the plan may be adjusted. For an additional premium, you have the option of purchasing the Compound Increasing Inflation Protection Benefit Rider.

If you select the Compound Increasing Inflation Protection Benefit Rider RG17IPB, on each policy anniversary we will increase your current Daily Benefit Amount by 3%. Benefits are increased for the life of the policy as long as it remains in force.

A graphic comparison of short-term care benefit levels (non-increasing vs. increasing) over a 20 year period is shown on the last page of this outline.

10. **TERMS UNDER WHICH THE POLICY OR CERTIFICATE MAY BE CONTINUED IN FORCE OR DISCONTINUED.**

Renewability: This policy is guaranteed renewable. This means you have the right subject to the terms of your policy, to continue this policy as long as you pay your premiums on time. Guarantee Trust Life Insurance Company cannot change any of the terms of your policy on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY.

Waiver of Premium: The policy includes a waiver of premium provision. After you become eligible for benefits and have been receiving Short-Term Care Services for 30 days, (without regard to any Elimination Period being satisfied), we'll waive the payment of all future premiums coming due thereafter. This includes the waiving of premium for any attached benefit rider(s). Premiums will continue to be waived during a Period of Care as long as you continue to receive Short Term Care Services covered, up to the Maximum Benefit Period.

Terms under which the company may change premiums: We reserve the right to change premiums on this policy form. We can only change the premium if we change it for all policies like yours in your state on a class basis. Any increase in premium must first be approved by the agency regulating insurance in your state. We'll provide you with written notice at least 31 days before any premium change becomes effective.

11. **ALZHEIMER’S DISEASE AND OTHER ORGANIC BRAIN DISORDERS:** This policy does cover loss due to Alzheimer’s disease, Parkinson’s disease, senile dementia, and other nervous or mental disorders of organic origin.

12. **PREMIUM**

ANNUAL PREMIUM

BASIC COVERAGE: \$ _____

Compound Increasing Inflation Protection Benefit Rider: \$ _____

Annual Policy Fee: \$ 25.00

TOTAL ANNUAL PREMIUM: \$ _____

13. **ADDITIONAL FEATURES:**

A. Medical Underwriting – Medical underwriting is used for this policy. Your eligibility for coverage is based on the answers to the medical questions on the policy application completed by you and any additional information that may be needed to complete our evaluation of your application.

B. Unintentional Lapse Protection – You have the right to name an individual to receive notification when your policy will lapse due to non-payment of premium.

C. **Free Counseling Is Available Through The State Health Insurance Assistance Program called CHOICES at 1-800-994-9422.**

**COMPARISON OF DAILY BENEFIT LEVELS
WITH AND WITHOUT OPTIONAL 3% COMPOUND INFLATION PROTECTION BENEFIT RIDER**

It is important that you consider how the annual rate of inflation may impact the cost of short term care services in the future. A graphic comparison of daily benefit levels (non-increasing vs. increasing) beginning with \$100/day and extending out over a 20 year period, is reflected below. If you choose to include the optional 3% Compound Inflation Protection Benefit Rider, the annual cost of this rider will be shown in section 12 (Premium) of this outline.

Comparison of Daily Benefit Levels With and Without 3% Compound Inflation Protection

