

# Recovery Care II

## LIMITED BENEFIT HEALTH COVERAGE OUTLINE OF COVERAGE

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### **Standard Life and Accident Insurance Company**

#### **Mailing Address:**

P.O. Box 10627

Springfield, MO 65808

Phone: 888.350.1488

(referred hereafter as “Standard Life”, “we”, “us”, “our” or  
“the Company”)

#### **NOTICE TO BUYER:**

**BENEFITS PROVIDED ARE SUPPLEMENTAL  
AND ARE NOT INTENDED TO COVER  
ALL MEDICAL EXPENSES.**

#### **THIS IS NOT A MEDICARE SUPPLEMENT POLICY.**

If you are eligible for Medicare, you should review  
the *Guide to Health Insurance for People with Medicare*  
available from the Company.

#### **THIS POLICY DOES NOT PROVIDE LONG TERM CARE COVERAGE.**

This Policy provides limited services for  
confinements of less than one year and  
does not provide long-term care coverage.

# Recovery Care II

## LIMITED BENEFIT HEALTH COVERAGE OUTLINE OF COVERAGE

### LIMITED BENEFIT HEALTH COVERAGE

#### 1. READ YOUR POLICY CAREFULLY

This outline of coverage provides a very brief description of the important features of your Policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you **READ YOUR POLICY CAREFULLY**.

#### 2. LIMITED BENEFIT HEALTH COVERAGE

Policies of this category are designed to provide to persons insured, LIMITED OR SUPPLEMENTAL coverage.

#### 3. BENEFIT AMOUNTS

**LIFETIME MAXIMUM BENEFIT:** ☐180 ☐270 ☐360 Days of Care

**RESTORATION BENEFIT:** Equal to the Lifetime Maximum Benefit

**NURSING FACILITY DAILY BENEFIT:** \$\_\_\_\_\_

**ASSISTED LIVING FACILITY DAILY BENEFIT:** 75% of the Nursing Facility Daily Benefit

**BED RESERVATION BENEFIT:** 21 Days of Care

**OPTIONAL RIDERS:** ☐ Simple Inflation ☐ Compound Inflation  
☐ Home Health Care Rider – 75% of Nursing Facility Daily Benefit

#### ■ ELIGIBILITY FOR THE PAYMENT OF BENEFITS

While you are covered under your Policy, you will be eligible to receive the Maximum Daily Benefit amount shown in the Schedule of Benefits for each Day of Care that you receive Nursing Facility Care, Assisted Living Facility Care or for a maximum of 90 days for Home Health Care (if elected) if:

- a. you are unable to perform, without hands-on-assistance, at least two Activities of Daily Living (ADLs) due to loss of functional capacity; or
- b. you have suffered a Cognitive Impairment and require Substantial Supervision. “Substantial Supervision” means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect you from threats to your health or safety (such as may result from wandering); or
- c. you require Nursing Facility Care, Assisted Living Facility Care or Home Health Care (if elected) due to a medical necessity.
- d. approved in your Plan of Care;
- e. Days of Care begin after the effective date; and
- f. you have satisfied the Elimination Period (if any).

**Activities of Daily Living** (ADLs) refer to certain basic daily tasks necessary to maintain your health and safety. In the Policy, “ADLs” refers to the activities described as follows:

- Bathing (washing yourself by sponge bath; or in either a tub or a 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 catheter or colostomy bag)).

# Recovery Care II

## LIMITED BENEFIT HEALTH COVERAGE OUTLINE OF COVERAGE

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- Eating (feeding yourself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously). Eating does not include meal preparation.
- Dressing (putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs).
- Toileting (getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene).
- Transferring (the ability to move into or out of a bed, chair or wheelchair or to move from place to place, either via walking, a wheelchair, cane, crutches, walker or other equipment). Transferring does not include the task of getting into or out of the tub or shower.

**Cognitive Impairment** means a deterioration or loss in intellectual capacity that is measured by clinical evidence and standardized tests which reliably measure impairment in:

- a. short term or long term memory;
- b. orientation to people, places, or time; and
- c. deductive or abstract reasoning. Such deterioration or loss must place you in jeopardy of harming yourself, therefore requiring another person's supervision or verbal cueing. Determination of Cognitive Impairment will be made by a Licensed Health Care Practitioner.

**Lifetime Maximum Benefit** means the total number of Days of Care that could be paid to you for any combination of Nursing Facility Care or Assisted Living Facility Care that you have received while insured under your Policy. The Lifetime Maximum Benefit is shown in the Schedule of Benefits. Once the Lifetime Maximum Benefit is met, no further benefits are payable and your coverage terminates.

**Plan of Care** means a written plan for confinement in a covered facility which must include, but not be limited to:

- a. reason for confinement, including diagnosis, symptoms and reason for the need for continued care;
- b. schedule of treatment, including level of care;
- c. functional limitations, including deficiencies in Activities of Daily Living; and
- d. objectives of the Plan of Care.

The number of Days of Care specified in the Plan of Care cannot exceed the Lifetime Maximum Benefit. Your Plan of Care will end the earlier of when:

- a. you are no longer receiving Nursing Facility Care or Assisted Living Facility Care due to a Loss; or
- b. the Lifetime Maximum Benefit expires.

The Plan of Care must be developed by a Licensed Health Care Practitioner and approved by the Company and you or your legally designated representative. The Plan of Care must be updated as your condition changes.

**Maximum Daily Benefit** means the maximum daily amount payable for Covered Services covered by your Policy. In no event, however, will the Maximum Daily Benefit payable for such Covered Services exceed the actual daily charge. The Maximum Daily Benefit for each type of service covered under your Policy is shown in the Schedule.

### ■ RESTORATION OF BENEFIT

The Restoration of Benefit will restore each of the paid Days of Care that were previously applied to the Lifetime Maximum Benefit up to the Restoration Benefit amount stated in the Schedule of Benefits. To receive this benefit, you must:

- a. be able to satisfy the requirements described under "Eligibility for the Payment of Benefits" above; and
- b. have recovered for a period of at least 180 consecutive days; and
- c. have not reached the Lifetime Maximum Benefit.

# Recovery Care II

## LIMITED BENEFIT HEALTH COVERAGE OUTLINE OF COVERAGE

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Your Physician must certify that you have recovered sufficiently such that you did not meet the “Eligibility for the Payment of Benefits” requirements for the 180 consecutive day period.

Each Day of Care that has been restored under this provision will reduce the Restoration Benefit. Days of Care payable will never exceed the Lifetime Maximum Benefit and the Restoration Benefit stated in the Schedule of Benefits.

### ■ NURSING FACILITY DAILY BENEFIT

The Nursing Facility Care Daily Benefit, shown in the Schedule of Benefits, will be paid for each Day of Care in a Nursing Facility, if:

- a. you are receiving Skilled Nursing Care, Intermediate Care, or Custodial Care; and
- b. you have satisfied the other requirements described under “Eligibility for the Payment of Benefits”.

**Nursing Facility** means a facility or distinct part of a facility that:

- a. is licensed or certified to provide Skilled Nursing Care, Intermediate Care or Custodial Care, as defined herein;
- b. is primarily engaged in providing, in addition to room and board accommodations, Skilled Nursing Care or Intermediate Care under the supervision of a duly licensed physician;
- c. provides continuous 24 hours a day nursing service by or under the supervision of a registered graduate professional nurse (R.N.); and
- d. maintains a daily medical record of each patient.

“Nursing Facility” does not mean:

- a. a Hospital, Clinic, Long-Term Acute Care Facility, or Inpatient Rehabilitation Facility; or
- b. an institution that is operated mainly for the treatment and care of alcoholism or drug addiction; or
- c. any home, facility or part thereof used primarily for rest; or
- d. a home or facility for the aged; or
- e. a soldiers home.

### ■ ASSISTED LIVING FACILITY CARE BENEFIT

The Assisted Living Facility Care Daily Benefit, shown in the Schedule of Benefits, will be paid for each Day of Care in an Assisted Living Facility if:

- a. you are receiving Assisted Living Facility Care; and
- b. you have satisfied the requirements described under “Eligibility for the Payment of Benefits.”

**Assisted Living Facility** means a facility that is engaged primarily in providing ongoing care and related services to at least ten inpatients in one location, and:

- a. is licensed or certified, if required by the jurisdiction in which it is operating, to provide such care;
- b. provides 24 hours a day care and services sufficient to support needs resulting from an inability to perform ADLs or from Cognitive Impairment;
- c. has trained and ready to respond employees on duty at all times to provide that care;
- d. provides three meals a day and accommodates special dietary needs;
- e. has formal arrangements for the services of a Physician or Nurse to furnish Emergency medical care;
- f. has appropriate methods and procedures for handling and administering drugs and biologicals; and
- g. is not, other than incidentally, a home for the mentally retarded, the mentally ill, the blind or the deaf, a hotel or a home for the treatment of alcoholism or drug addiction.

# Recovery Care II

## LIMITED BENEFIT HEALTH COVERAGE OUTLINE OF COVERAGE

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These requirements are typically met by Assisted Living Facilities that are either free standing facilities or part of a lifecare community. They may also be met by some personal care and adult congregate care facilities. They are generally NOT met by individual homes or independent living units.

An Assisted Living Facility does not mean a Nursing Facility, Hospital or Clinic, boarding home, or a place which operates primarily for the treatment of alcoholism or drug addiction. It also does not mean your home.

### ■ BED RESERVATION BENEFIT

If you are receiving Nursing Facility or Assisted Living Facility benefit payments and your stay in such facility is interrupted because you are hospitalized, the Company will continue to pay the Nursing Facility or Assisted Living Facility Daily Benefit if a charge is made to reserve your accommodations in the facility. The maximum number of days for which benefits will be paid is equal to the Bed Reservation Benefit Limit shown in the Schedule of Benefits.

The Bed Reservation Benefit will not be payable if you have not satisfied the Elimination Period. However, the number of days a charge is made to reserve your accommodations in the Nursing Facility or Assisted Living Facility will be applied to satisfy the Elimination Period.

Each day for which a Bed Reservation Benefit is paid will count toward the Lifetime Maximum Benefit. No benefits are payable if the Lifetime Maximum Benefit has been exhausted.

### ■ OPTIONAL INFLATION PROTECTION RIDERS

**Compound Inflation Protection** — On the first anniversary date of this Rider and on each subsequent Policy anniversary date, we will automatically increase the Maximum Daily Benefit amounts (for Nursing Facility Care, Assisted Living Facility Care and Home Health Care (if elected)) listed in the Policy's Schedule of Benefits. The automatic annual increase will be equal to 5% of the Maximum Daily Benefit in effect on the most recent anniversary.

**Simple Inflation Protection** — On the first anniversary date of this Rider and on each subsequent Policy anniversary date, we will automatically increase the Maximum Daily Benefit amounts (for Nursing Facility Care, Assisted Living Facility Care and Home Health Care (if elected)) listed in the Policy's Schedule of Benefits. The automatic annual increase will be equal to 5% of the initial Maximum Daily Benefit amounts shown in the Schedule of Benefits on the date of issue of your Policy. Annual increases will not be compounded. After 20 years, the amount will remain level at 200% of the original amount issued.

### ■ OPTIONAL HOME HEALTH CARE RIDER

If elected, this Rider will pay up to 75% of the Nursing Facility Daily Benefit for expenses incurred for services of a Home Health Care provider. There is no elimination period and benefits will be paid for a maximum of 90 days. After 90 days of benefits, the Rider will terminate.

"Home Health Care" means a program of professional, paraprofessional or skilled care for medical services provided through a Home Health Care Agency to a patient in his or her home. This includes any of the following services:

- a. Nursing services provided by a:
  1. registered nurse;
  2. licensed practical nurse;
  3. licensed vocational nurse; or
  4. a licensed public health nurse;

# Recovery Care II

## LIMITED BENEFIT HEALTH COVERAGE OUTLINE OF COVERAGE

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- b. Physical therapy;
- c. Speech therapy;
- d. Respiratory therapy; or
- e. Occupational therapy.

“Home Health Care” does not include services provided to a patient while confined in a Hospital, Nursing Facility, Assisted Living Facility or any other facility which makes a charge for room and board. Home Health Care does not include homemaker services.

#### 4. EXCLUSIONS AND LIMITATIONS

**Elimination Period** (if any) means the number of Days of Care necessary before benefits are payable under this Policy. No payment will be made for Days of Care during the Elimination Period. Any day of confinement that does not meet the requirements of a Day of Care cannot be used to satisfy the Elimination Period.

The Elimination Period begins with the first Day of Care that occurs after the Effective Date of your Policy. The Elimination Period can be met by any combination of Days of Care in a Nursing Facility or Assisted Living Facility.

Any days applied toward satisfaction of the Elimination Period need not be consecutive but must be met before any Daily Benefits are payable. The Elimination Period applies only once during the entire time you are insured under your Policy. The Elimination Period (if any) is shown in the Schedule of Benefits.

##### Exclusions

The Company will not pay a benefit for any Loss resulting from the following:

- a. a Loss caused by or resulting from alcoholism or drug addiction;
- b. a Loss caused by or resulting from illness, treatment, or medical condition arising out of any of the following:
  - 1. war (whether declared or not) or any act of war;
  - 2. participation in a felony, riot, or insurrection;
  - 3. service in the armed forces or auxiliary units of the armed forces; or
  - 4. attempted suicide (while sane or insane) for 2 years from the effective date, or intentionally self inflicted injury;
- c. confinement in a government facility, unless a charge is made that You are obligated to pay (except otherwise required by law);
- d. confinement in a facility outside the United States of America, its possessions and territories;
- e. confinement in a Hospital, except a Nursing Facility that is a distinct part of the Hospital;
- f. a Loss for which benefits are reimbursable under Medicare (unless otherwise prohibited by law) or would be so reimbursable but for the application of a deductible or coinsurance amount; or other governmental program (except Medicaid, or a medical plan established by a government for its own employees), any state or Federal Workers' Compensation, employers' liability, occupational disease law, or the basic reparations benefits of a nofault motor vehicle insurance plan;
- g. a Loss for which no charge is normally made in the absence of insurance; or
- h. a Loss that is not included in or is inconsistent with Your Plan of Care.

# Recovery Care II

## LIMITED BENEFIT HEALTH COVERAGE OUTLINE OF COVERAGE

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### 5. RENEWABILITY

The Company can refuse to renew coverage under the policy as of any renewal premium due date for reasons stated in the Termination Provision. The Company will not non-renew coverage just because of the claims you file or because of a change in your health or your type of work.

### 6. PREMIUM CHANGES

Your premium rate will not be changed due to your age or use of coverage under your Policy. Any change will be made only on a rating class basis. The premium rate for your Policy is guaranteed not to change for the first year your Policy is in force, unless the terms of your Policy are changed.

Rate changes will be effective on the next premium due date after the Company has provided 45 days advance written notice. Premium rates will not be changed more frequently than once in any 12 month period.

If your benefit levels are changed at your request, your premium may, at such time, be changed to reflect the change in benefits. Premiums for additional, increased or terminated coverage may cause a pro rata adjustment on the next premium due date. Premiums for additional or increased coverage will be based upon your current attained age at the time you apply for such additional or increased coverage.

#### ■ WAIVER OF PREMIUM

Once benefits become payable for a covered Loss, premium payments which become due while receiving Nursing Facility Care, Assisted Living Facility Care or Home Health Care (if elected) benefits will not be required to continue your coverage. Premium payments will resume in accordance with the policy provisions when you are discharged from the Nursing Facility or Assisted Living Facility or stop receiving Home Health Care (if elected).

The initial policy premium is \$\_\_\_\_\_ ☐ Annual ☐ Semi-Annual  
☐ Quarterly ☐ Monthly PAC

**This Policy has a 31 day grace period.**

**This outline is a brief description of the Policy terms and provisions. Refer to the Policy for further details.**

**Policy Form Number 2090.**