

Unum Life Insurance Company of America  
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Portland, Maine 04122  
(207) 575-2211

**LONG TERM CARE INSURANCE  
OUTLINE OF COVERAGE**  
For the Employees of

**PENNSYLVANIA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS**  
(the Sponsoring Organization)

Group Master Summary of Benefits Form Number **542878**

**NOTICE TO BUYER:** This plan may not cover all costs associated with long term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all plan limitations.

**Caution:** If you must complete an Application for Long Term Care Insurance which includes evidence of insurability, the issuance of a long term care insurance certificate will be based on your responses to the questions in your application. A copy of your Application for Long Term Care Insurance was retained by you when you applied. If your answers are incorrect or untrue, Unum has the right to deny benefits or rescind your coverage. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact Unum at this address: Unum Life Insurance Company of America, 2211 Congress Street, Portland, Maine 04122.

1. The Summary of Benefits is delivered in and is governed by the laws of the governing jurisdiction of **Maine** and to the extent applicable by the Employee Retirement Income Security Act of 1974.

The Summary of Benefits is a part of the Select Group Insurance Trust situated in Maine. Fleet Bank of Maine is the Trustee.

**2. PURPOSE OF OUTLINE OF COVERAGE**

This outline of coverage provides a very brief description of the important features of the plan. You should compare this outline of coverage to outlines of coverage for other plans available to you. This is not an insurance contract, but only a summary of coverage.

Only the Summary of Benefits contains governing contractual provisions. This means that the Summary of Benefits sets forth in detail the rights and obligations of both you and us (Unum Life Insurance Company of America). Therefore, if you purchase this coverage, or any other coverage, it is important that you **READ YOUR CERTIFICATE CAREFULLY!**

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

- You have a 30-day right to examine the certificate. If, after examining the certificate, you are not satisfied for any reason, you may withdraw your enrollment in the plan by returning your certificate within 30 days of its delivery to you. The certificate, together with a written request for such withdrawal must be sent to:
  - **if you are an active employee or a spouse of an active employee**, the Sponsoring Organization's Plan Administrator,
  - **if you are a retiree or a family member other than a spouse of an active employee**, Unum, P. O. Box 9744, Portland, Maine 04104-9868.

Upon receipt, your insurance will be deemed void from its effective date and any premium contribution(s) paid will be returned.

- Premiums for additional, increased or terminated insurance may cause a pro-rata adjustment on the next premium due date.

### **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 Unum. You may obtain a copy of the Guide by calling 1-800-227-4165. Unum Life Insurance Company of America is not representing Medicare, the federal government or any state government.

### **5. LONG TERM CARE COVERAGE**

Plans 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 care unit of a hospital, such as in a nursing home, in the community, or in the home.

This plan provides coverage in the form of a fixed dollar indemnity monthly benefit if you suffer a covered loss of functional capacity or covered cognitive impairment.

The amount of the monthly benefit will be based on the plan of coverage you choose; any options you choose, if available, and the place of residence used for long term care.

### **6. BENEFITS PROVIDED BY THE SUMMARY OF BENEFITS**

**REFER TO THE ATTACHED SCHEDULE OF LONG TERM CARE BENEFITS FOR THE BENEFITS AVAILABLE UNDER THE SPONSORING ORGANIZATION'S PLAN.**

#### **Monthly Benefit:**

You are eligible for a monthly benefit if you are assessed as suffering a covered loss of functional capacity or cognitive impairment. You must be under the regular care of a doctor according to the condition.

**NOTE:** Any Activities of Daily Living that you cannot perform without standby assistance on the date you become insured under the plan will not be considered when determining the extent of your loss.

A monthly benefit will become payable on the day after you complete the Elimination Period.

The amount of your monthly benefit will be based on the coverage options you chose and the place of residence used for long term care. If your coverage includes Professional Home Care Services, the benefit payment will be based on the number of days you receive these services each month.

**Activities of Daily Living** are bathing, dressing, toileting, transferring, continence and eating.

**Cognitive Impairment** means a deterioration or loss in intellectual capacity resulting from Alzheimer's disease or similar forms of irreversible dementia.

**Elimination Period** means the number of consecutive days during which you must continue to qualify to receive a monthly benefit before a benefit will become payable.

**Lifetime Maximum** means the maximum Unum will pay you for all long term care benefits. You have your own Lifetime Maximum.

**Loss of functional capacity** means a loss of 2 or more activities of daily living (ADLs) because of a physical or mental incapacity resulting from an injury or a sickness or because of advanced age.

**Respite Care** means care provided to you for a short period of time to allow your informal caregiver a break from their caregiving responsibilities. If you qualify for a Home or another similar place Monthly Benefit but benefits have not yet become payable, payments will be made to you for each day you receive respite care for up to 15 days each calendar year. The amount of your payment will equal 1/30th of your Home or another similar place Monthly Benefit for each day that you receive respite care.

## **OPTIONAL BENEFITS**

**REFER TO THE SCHEDULE OF LONG TERM CARE BENEFITS TO DETERMINE WHETHER ANY OPTIONAL BENEFITS ARE PROVIDED UNDER THE SPONSORING ORGANIZATION'S PLAN**

### **Inflation Protection Provision - 5% Simple Inflation With Cap**

Your initial Monthly Benefit will increase by 5% on January 1<sup>st</sup> of the next calendar year. Your remaining Lifetime Maximum Benefit Amount will also increase. Subsequent 5% increases will be added each January 1<sup>st</sup> after that to your initial amount of coverage. Increases will be automatic and will occur regardless of your health and whether or not you have a loss of functional capacity or cognitive impairment. Your premium will not increase due to automatic increases in your Monthly Benefit. In no event will the total Monthly Benefit be more than 200% of your original Monthly Benefit.

The benefit paid for the inflation protection provisions are subject to the Lifetime Maximum Benefit Amount. Benefits are not paid during the Elimination Period.

**Refer to the graphic Comparison Chart of all types of Inflation, located in Section 8 of this Outline of Coverage**

## 7. LIMITATIONS AND EXCLUSIONS

### • EXCLUSIONS

Unum will not make long term care payments to you for:

- losses caused by war (whether declared or not) or any act of war,
- losses caused by attempted suicide (while sane or insane) or self-destruction,
- losses caused by commission of a crime for which you have been convicted under state or federal law or attempting to commit a crime under state or federal law,
- losses or confinements during which you are outside the United States, its territories or possessions for longer than 30 days,
- any days over fifteen days in each calendar year during which you are confined in any facility for acute care (acute care is medical care obtained as a result of an injury or a sickness requiring immediate medical intervention),
- losses caused by alcoholism,
- losses caused by voluntary use of any controlled substance unless the controlled substance is prescribed for you by a doctor. ("Controlled substance" is defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and all amendments) or
- losses caused by:
  - depression,
  - generalized anxiety disorders,
  - personality disorders,
  - schizophrenia, or
  - manic depressive disorders whether treated by drugs, counseling or other forms of therapy.

However, Unum **will** make payments to you for conditions that are not psychological or psychiatric in nature, including Alzheimer's disease, multi-infarct dementia, or Parkinson's disease.

- **PRE-EXISTING CONDITION EXCLUSION**

Unum will not make any payments for any loss of functional capacity or cognitive impairment that:

- is caused by, contributed to by, or results from a pre-existing condition, and
- begins during the first six months after your coverage begins.

A pre-existing condition is any condition that exists for which you:

- received medical treatment, consultation, care, or services, including diagnostic measures for the condition, or
- took drugs or medicines that were prescribed for the condition, during the six month period right before your coverage began.

Unum calls this a pre-existing condition.

This preexisting conditions exclusion will apply to all insurance that does not require evidence of insurability.

**THIS PLAN 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 services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted.

- **COST:**

- **If you are an active employee**, you and the Sponsoring Organization may share the cost of your coverage under Unum's long term care insurance.
- **If you are a retired employee or a family member**, you pay the cost of coverage.

The rate you pay over the duration of your initial coverage or for any increases is based on your insurance age.

- **ELECTION TO INCREASE COVERAGE:**

You can apply at any time to increase coverage by filling out a new Benefit Elections Form and an Application for Long Term Care Insurance.

## INFLATION PROTECTION COMPARISON

The following chart is an example comparison of monthly benefits with and without the Simple Inflation Protection Option.

	<u>Without Inflation Protection</u>	<u>With 5% Simple Inflation Protection</u>
<u>Policy Year</u>	<u>Monthly Benefit</u>	<u>Monthly Benefit</u>
1	\$2000.	\$2100.
2	\$2000.	\$2200.
3	\$2000.	\$2300.
4	\$2000.	\$2400.
5	\$2000.	\$2500.
6	\$2000.	\$2600.
7	\$2000.	\$2700.
8	\$2000.	\$2800.
9	\$2000.	\$2900.
10	\$2000.	\$3000.
11	\$2000.	\$3100.
12	\$2000.	\$3200.
13	\$2000.	\$3300.
14	\$2000.	\$3400.
15	\$2000.	\$3500.
16	\$2000.	\$3600.
17	\$2000.	\$3700.
18	\$2000.	\$3800.
19	\$2000.	\$3900.
20	\$2000.	\$4000.

**9. TERMS UNDER WHICH GROUP COVERAGE THROUGH THE PLAN MAY BE CONTINUED IN FORCE OR DISCONTINUED**

- **PREMIUM WAIVER**

**Long Term Care Facility**

When benefits become payable, there will be no more cost to you for your coverage as long as you continue to have a loss of functional capacity or cognitive impairment and reside in a Long Term Care Facility.

**Professional Home Care** (Refer to the Schedule of Long Term Care Benefits to determine whether the Sponsoring Organization’s plan provides this benefit.)

When benefits become payable, there will be no more cost to you for your coverage as long as you continue to have a loss of functional capacity or cognitive impairment and receive Professional Home Care Services.

If you do not receive Professional Home Care for a period of 30 consecutive days, premium payments will again become due. To continue your coverage, premium payments **must** be resumed on the next premium due date following this 30-day period.

**Total Home Care** (Refer to the Schedule of Long Term Care Benefits to determine whether the Sponsoring Organization's plan provides this benefit.)

When benefits become payable, there will be no more cost to you for your coverage as long as you continue to have a loss of functional capacity or cognitive impairment.

- **RIGHT TO CHANGE PREMIUMS**

The premium rate will not increase because you grow older or because of your use of the benefits. However, the premium rate schedule may change in the future depending on the overall use of the benefits of all covered persons or changes in the benefit levels, plan design or other risk factors. Any such change will be made on a class basis according to Unum's underwriting risk studies under this type of insurance.

- **PORTABLE COVERAGE**

If the Employer or Unum ends group long term care coverage, you or your authorized representative may elect portable coverage for you. This means that the same coverage you had under this plan can continue on a direct billing basis. Retired employees and any other persons who are direct billed will automatically transfer to portable coverage.

Any election for portable coverage must be made within 31 days of the date the group coverage would otherwise end. If so elected, you are a portable insured.

Any premium that applies must be paid directly to Unum by you for any portable coverage to be continued.

Also, the premium rate schedule for portable coverage may change in the future, depending on the overall use of the benefits by all covered persons or changes in the benefit levels or other risk factors. Any such change will be made on a class basis according to Unum's underwriting risk studies.

Once on portability, you can apply at any time to increase coverage by filling out a new Benefit Elections Form and Application for Long Term Care Insurance which includes evidence of insurability.

If you voluntarily end your group long term care coverage, you may not elect portable coverage. However, you may be eligible to continue a percentage of your Monthly Benefit Maximum(s) and Lifetime Maximum Amount **if you elected** the paid-up coverage option and have met the requirements under that option.

- **WHEN COVERAGE WILL END:**

Your coverage will end on the earliest of these dates:

- the date the Summary of Benefits under the policy ends,
- the date you no longer are in an eligible class,
- the date your class no longer is included for insurance,
- the end of the period for which premiums were last remitted to Unum for your coverage.
- the date you no longer are an active employee with the Sponsoring Organization.

**10. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS**

Unum will not make long term care payments to you for losses caused by neurosis, psychoneurosis, psychopathy, psychosis or mental or emotional disease or disorder of any kind whether treated by drugs, counseling or other forms of therapy.

However, Unum will make payments to you for conditions that are not mental or nervous in nature, including Alzheimer's disease, multi-infarct dementia, brain injury, brain tumors, or other such structural alterations of the brain.

**11. PREMIUMS**

Premiums are based on the plan design selected and the Insurance Age of each enrolled person. Unum may change the premium rates when the terms of the Summary of Benefits are changed.

**12. ADDITIONAL FEATURES**

- Medical underwriting may be required
- Eligibility and Participation

You are eligible for the plan if you are:

–an active employee of the Sponsoring Organization, and your family members

- Temporary or seasonal employees are excluded.

**PENNSYLVANIA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
PLAN HIGHLIGHTS / SCHEDULE OF BENEFITS**

Your Long Term Care (LTC) insurance plan is listed below.

**Elimination Period:** Your plan's Elimination Period of 90 consecutive days is the amount of time you must wait before benefits become payable. This time period must be satisfied only once during the life of your plan.

**Newly Hired Employees:** Once eligible for the plan, you will have 30 days to sign up for Guarantee Issue coverage. Please check with your employer for your effective date.

**All Active Employees & Newly Hired Employees:** Who enroll after the Guarantee Issue enrollment period or choose benefits over the Guarantee Issue limits will be required to fill out a medical questionnaire.

**Medical Underwriting Effective Date:** The effective date for those applicants passing medical underwriting between the 1<sup>st</sup> and 15<sup>th</sup> of the month is the first of the month following their date of approval. For those approved between the 16<sup>th</sup> and the end of the month, their effective date is the first of the second month following their date of approval.

*Medical Underwriting means that you must answer all questions on a medical questionnaire. In some cases, an interview may also be necessary.*

**Delayed Effective Date:** If you are absent from work because you are injured, sick, temporarily laid off or on a leave of absence, your coverage will not begin on your otherwise expected effective date.

**Medical Underwriting:** You may choose from the plans listed below. The Long Term Care Insurance Application (medical questionnaire) and the Benefit Election Form must be completed and approved in order to enroll in this Long Term Care Plan. **All** Medical Questionnaires must accompany a signed Authorization to Request Medical Information Form #6720-03 located in the enrollment kit.

Benefit Duration	3 Years	6 Years	Unlimited Duration
Facility Benefit Amount	\$1,000 to \$5,000	\$1,000 to \$5,000	\$1,000 to \$5,000
Assisted Living Facility Percent	60%	60%	60%
Lifetime Maximum	\$36,000 to \$180,000	\$72,000 to \$360,000	Unlimited
Total Home Care (Includes Professional Home Care)	50%	50%	50%
Inflation Protection* - Option	Simple Capped	Simple Capped	Simple Capped

*\* If you selected an inflation option, and you terminate that inflation option at a future date, you can purchase the inflated coverage amount at your original age.*

**Lifetime Maximum:** The Lifetime Maximum is the maximum benefit dollar amount UNUM will pay over the life of your coverage. This dollar amount is based on the Facility Benefit Amount and Benefit Duration. *For Example: If you choose \$3,000 Facility Monthly Benefit Amount & 3 Year Duration, your Lifetime Maximum is calculated as follows, \$3,000 per Month X 12 Months X 3 Years = \$108,000 Lifetime Maximum*

**Insurance Age:** Insurance Age is used to determine the cost of your coverage. Insurance Age is your age on the plan effective date if you enroll for coverage prior to the plan effective date. If you enroll for coverage on or after the plan effective date, insurance age is your age on the date you sign the enrollment form.

**Questions:** Please call 1-800-227-4165 with questions regarding your Long Term Care Insurance.