

Standard Life and Casualty Insurance Company

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OUTLINE OF COVERAGE FOR POLICY FORM AL7060AR SHORT-TERM FACILITY CARE INSURANCE POLICY

PARAGRAPH 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 the Company. It is, therefore, important that You **READ YOUR POLICY CAREFULLY**.

THE POLICY HAS LIMITED BENEFITS AND IS SUBJECT TO THE POLICY'S LIMITATIONS AND EXCLUSIONS, ELIMINATION PERIODS, AND DAILY, POLICY YEAR, AND LIFETIME MAXIMUM BENEFIT AMOUNTS. READ YOUR POLICY CAREFULLY TO UNDERSTAND POLICY LIMITATIONS.

The capitalized terms used in this Outline of Coverage are defined in Your Policy or Rider.

THE POLICY DOES NOT PROVIDE LONG-TERM CARE INSURANCE COVERAGE.

PARAGRAPH 2: The short-term care Policy is designed to provide limited fixed indemnity benefits for covered short-term care within an eligible facility.

NOTICE: This is not a major medical insurance Policy. The Policy provides limited fixed indemnity benefits for short-term care. Fixed indemnity benefits are paid in the amount stated on the Policy Schedule without regards to the cost of services rendered. This Policy does not provide expense reimbursement for charges based on the provider's statement.

THIS IS NOT A MEDICARE SUPPLEMENT INSURANCE COVERAGE. If You are eligible for Medicare, review the Buyer's Guide to Health Insurance for People with Medicare available from the Company.

PLEASE READ YOUR POLICY CAREFULLY TO UNDERSTAND POLICY LIMITATIONS.

PARAGRAPH 3. BASE POLICY BENEFITS

FACILITY CARE BENEFIT

Facility Care Benefit

Benefit Amount on Effective Date: \$25-300, in \$10 increments

<u>Policy Anniversary</u>	<u>Per Day Benefit</u>	<u>Policy Anniversary</u>	<u>Per Day Benefit</u>
1	\$30-360	4	\$45-540
2	\$35-420	5, and thereafter	\$50-600
3	\$40-480		

Elimination Period	0, 20, 30, 60, 90, 100 days
Benefit Period	90, 180, 270, 360 days
Lifetime Maximum	180, 360, 540, 720 days
Bed Reservation Benefit Policy Year Maximum	10, 21 days
Bed Reservation Lifetime Maximum	20, 42 days

Subject to the Eligibility for Facility Care Benefits, and Limitations or Conditions on Eligibility for Facility Care Benefits, Benefit Period, and Facility Care Lifetime Maximum, We will pay the per day benefit for Facility Care.

We will pay only one per day benefit without regard to the amount of Facility Care services You receive in any one day. We will consider Facility Care services as received as of the date of the confinement.

Eligibility for Facility Care Benefits. Before the per day benefit can be paid under the Policy for short-term care in either an Assisted Living Facility, Nursing Home/Facility, or Hospice Facility ("Facility Care"), Your Physician must certify that You:

1. have Loss of Functional Capacity;
2. have Cognitive Impairment; or
3. are Terminally Ill.

Limitations or Conditions on Eligibility for Facility Care Benefits. You must:

1. be eligible for benefits as described in the Eligibility for Facility Care Benefits provision;
2. have satisfied Your Elimination Period, if any; and
3. have received care while confined in either an Assisted Living Facility, Nursing Home/Facility, or Hospice Facility, and the care received must be prescribed in Your Plan of Care.

Fast-50 Facility Care Benefit ("Fast-50")

You may elect to receive a Fast-50 Facility Care Benefit in place of the Facility Care Benefit for which You are eligible for under the Policy. If You elect to receive the Fast-50 Facility Care Benefit, We will pay fifty percent (50%) of Your per day Facility Care Benefit amount for each day You meet the coverage requirements.

The Elimination Period for the Facility Care Benefit, if any, is waived if You elect to receive the Fast-50 Facility Care Benefit. If You switch from the Fast-50 Facility Care Benefit to the Facility Care Benefit, the Elimination Period, if any, must be satisfied.

The Fast-50 Facility Care Benefit will end on the earliest date that one of the following occurs:

1. You are no longer eligible per the Eligibility for Facility Care Benefits provision;
2. We receive written notice from You that You elect to discontinue receiving the Fast-50 Facility Care Benefit;
3. We receive written notice from You that You wish to switch to another Policy benefit; or
4. You have reached Your Facility Care Lifetime Maximum.

Automatic Restoration of Facility Care Benefit. If Your Period of Care ends, and Your Facility Care benefits have not been paid for the entire Facility Care Benefit Period, We will restore Your Benefit Period, as of the date that Your Period of Care ended, subject to any Elimination Period, if any, and the Lifetime Maximum for Facility Care. Once the Lifetime Maximum for Facility Care has been paid, Facility Care benefits are no longer payable under the Policy.

Bed Reservation Benefit

Subject to the Facility Care Elimination Period, if any, Bed Reservation Policy Year Maximum and Bed Reservation Lifetime Maximum, We will pay the per day Facility Care benefit amount to reserve Your bed in a Nursing Home/Facility or Assisted Living Facility while You are an Inpatient in a Hospital if benefits are payable under the Policy for Nursing Home/Facility or Assisted Living Facility. The Bed Reservation Benefit is not payable unless, after discharge from the Hospital, You immediately return to the Nursing Home/Facility or Assisted Living Facility where You were staying immediately prior to the Inpatient Hospital admission.

PRESCRIPTION & DRUG BENEFIT

Prescription (R) Drug Benefit

R Generic Drug	\$10 per prescription
R Name Brand Drug	\$25 per prescription
Policy Year Maximum	\$300, 500, 700

Subject to the per prescription and Policy Year Maximum amounts and Limitations and Exclusions in the Policy, We will pay this benefit for each Prescription Order filled through a Pharmacy for:

1. Prescription Drugs that are fully approved and prescribed for the specified indications by the FDA for marketing in the United States and can be obtained only with a Prescription Order from Your duly licensed health care practitioner;
2. Prescription Drugs in dosages, dosage forms, dosage regimens, and durations of treatment that are Medically Necessary; and
3. Prescription Drugs that are within the quantity, supply, or other limits that are appropriate for a Prescription Drug.

This benefit is not subject to the Pre-Existing Conditions Limitation. This benefit is not subject to Your eligibility for the Facility Care Benefit.

Prescription Drug Limitations and Exclusions: We will not pay benefits for--

1. drugs or medicines obtained from sources outside of the United States or Canada;
2. vitamins and/or vitamin combinations even if they are prescribed by a duly licensed health care practitioner;
3. any prescription products, drugs, or medicines in the following categories, whether or not prescribed by a duly licensed health care practitioner:
 - a. herbal or homeopathic medicines or products;
 - b. minerals;
 - c. appetite suppressants;
 - d. dietary or nutritional substances or dietary supplements;
 - e. nutraceuticals; or
 - f. medical foods;
4. drugs or medicines dispensed at or by a Hospital, an emergency room, a free-standing facility, an urgent care facility, a health care practitioner's office, or other Inpatient or Outpatient setting for take home by You;
5. drugs or medicines prescribed for treatment of a condition that is specifically excluded under the Policy;
6. drugs, medicines, or supplies that are illegal under federal law, such as marijuana, even if they are prescribed for medical use in a state;
7. duplicate prescriptions, replacement of lost, stolen, destroyed, spilled, or damaged prescriptions;
8. any administration for drug injections or any other drugs or medicines obtained other than through a Pharmacy with a Prescription Order;
9. Prescription Drug refills more than the number specified on the Prescription Order;
10. Prescription Drugs refilled more frequently than the prescribed dosage indicates; or
11. Prescription Drug that is filled on or after the date this insurance coverage terminates.

PARAGRAPH 4: LIMITATIONS AND EXCLUSIONS

Pre-Existing Conditions Limitation: The Policy and any attached benefit rider(s) do not cover Pre-Existing Conditions whether disclosed in the application or not, for the first six (6) months beginning on the date You become insured under the Policy.

Conditions specifically named or described as excluded in any part of the Policy are never covered.

We will NOT pay benefits for:

1. illness, treatment, or medical condition arising out of:
 - a. war or act of war (whether declared or undeclared) participation in a felony, riot or insurrections; service in the armed forces or unites auxiliary thereto; or
 - b. suicide (sane or insane), attempted suicide or intentionally self-inflicted injury;
2. confinement due to alcoholism or drug addiction;
3. Durable Medical Equipment;
4. confinement, treatment, or care received outside of the United States except for Prescription Drugs received from Canada;
5. loss that is caused by a Mental or Nervous Disorder; or
6. treatment provided in a government facility (unless otherwise required by law), and services for which no charge is normally made in the absence of insurance.

PARAGRAPH 5: OPTIONAL BENEFIT RIDER(S) (available for an additional premium):

HOME HEALTH CARE BENEFIT RIDER:

**Home Health Care
Benefit Rider**

Benefit Amount on Effective Date: \$25-300, in \$10 increments

<u>Policy Anniversary</u>	<u>Per Day Benefit</u>	<u>Policy Anniversary</u>	<u>Per Day Benefit</u>
1	\$30-360	4	\$45-540
2	\$35-420	5, and thereafter	\$50-600
3	\$40-480		

Elimination Period	0, 20, 30, 60, 90, 100 days
Benefit Period	90, 180, 270, 360 days
Lifetime Maximum	180, 360, 540, 720 days

Subject to Eligibility for Home Health Care Benefit, and Limitations or Conditions on Eligibility for Home Health Care Benefit, Benefit Period, and Home Health Care Lifetime Maximum, We will pay the per day Benefit amount that is shown on the Policy Schedule for Home Health Care.

We will pay only one per day benefit regardless of the amount of Home Health Care You receive in any one day. We will consider Home Health Care services received as of the date of the Home Health Care.

Eligibility for Home Health Care Benefit. Before the per day benefit can be paid for Home Health Care under the Rider, a Physician must certify that You:

1. have Loss of Functional Capacity;
2. have Cognitive Impairment; or
3. are Terminally Ill.

Limitations or Conditions on Eligibility for Home Health Care Benefit. You must:

1. be eligible for benefits as described in the Eligibility for Home Health Care Benefit provision;
2. have satisfied Your Elimination Period, if any; and
3. have received care while Home, and the Home Health Care received must be prescribed in Your Plan of Care.

Home Health Care does not mean, nor include Home Health Care rendered by Your Immediate Family or friend, unless You elect to receive the Fast-50 Home Care Benefit provided below.

Fast-50 Home Health Care Benefit ("Fast-50")

You may elect to receive a Fast-50 Home Health Care Benefit in place of the Home Health Care Benefit. If You elect to receive the Fast-50 Home Health Care Benefit, We will pay fifty percent (50%) of Your per day Home Health Care Benefit amount.

If You elect to receive the Fast-50 Home Health Care Benefit:

1. the Elimination Period for the Home Health Care Benefit is waived, if any;
2. You can receive medical Home Health Care from an Immediate Family Member or friend who is a Home Health Care Practitioner; and
3. You can receive nonmedical Homemaker Services from an Immediate Family member or friend.

If You switch from the Fast-50 Home Health Care Benefit to the Home Health Care Benefit, You must still satisfy the Elimination Period, if applicable.

The Fast-50 Home Health Care Benefit will end on the earliest date that one of the following occurs:

1. You are no longer eligible per the Eligibility for Home Health Care Benefit provision above;
2. We receive written notice from You that You elect to discontinue receiving the Fast-50 Home Health Care Benefit; or
3. You have reached Your Home Health Care Lifetime Maximum.

Automatic Restoration of Home Health Care Benefit. If Your Period of Home Health Care ends, and Your Home Health Care benefits have not been paid for the entire Home Health Care Benefit Period, We will restore Your Benefit Period, as of the date that Your Period of Home Health Care ended, subject to any Elimination Period, if any, and the Lifetime Maximum for Home Health Care. Once the Lifetime Maximum for Home Health Care has been paid, Home Health Care benefits are no longer payable under the Policy.

HOSPITAL INDEMNITY BENEFIT RIDER:

Hospital Indemnity Benefit Rider

Benefit Amount	\$50-300, in \$10 increments per day
Maximum Period of Confinement	3, 6, 10, 20 days
Lifetime Maximum	180 days

Inpatient Hospital Confinement Benefit: Subject to the per day, Maximum Period of Confinement, and Lifetime Maximum amounts, We will pay a per day benefit for each day there is a charge for Inpatient room and board during a Confinement Period under the orders of a health care practitioner for care of Sickness or Injury. Room and board may be

provided in any appropriate Inpatient setting including in an intensive care setting, such as an Intensive Care Unit (ICU), a Neonatal Intensive Care Unit (NICU), a Coronary Intensive Care Unit (CICU) or a step-down unit. Benefits under that provision are not payable when the confinement is in a rehabilitation unit.

This Rider does not provide benefits for Your loss as a result of:

1. war or act of war (whether declared or undeclared); participation in a felony, riot or insurrections; service in the armed forces or unites auxiliary thereto;
2. injury received while traveling or operating, learning to operate, serving as a crewmember on, or jumping or falling from any aircraft including those, which are not motor-driven;
3. suicide (sane or insane), attempted suicide or intentionally self-inflicted injury;
4. loss sustained or contracted in consequence of You being intoxicated, as defined in the laws of the jurisdiction in which the loss occurred, or under the influence of any controlled substance unless administered on the advice of Your health care provider;
5. injury to the spine, or the cervical, thoracic spinal, dorsal, sacro-iliac, or lumbar regions unless loss begins not less than 6 months after Your effective date of coverage;
6. repetitive motion injuries, strains, all types of hernia, tendinitis, bursitis and heat exhaustion not related to a specific injury;
7. injury resulting from testing cars/trucks on any racetrack or speedway;
8. injury sustained while taking part in any of the following activities: as a rider in or driving in competitive motor sport, water sport races, stunt show or speed test, or while testing any vehicle on any racecourse or speedway, spelunking (exploring caves), mountaineering, scaling up or down cliffs or mountain walls, practice for or participation in a rodeo, flying in an ultra-light, hang gliding, parachuting, parasailing, parakiting, bungee cord jumping;
9. participating in any sporting event for pay or prize money;
10. injuries incurred and resulting from hazardous occupations such as circus workers, commercial fisherman, crop dusters, farm labors, firefighters, lumberjacks, oil field workers, police, quarry workers, rodeo riders, security guards, underground miners, or window washers;
11. injuries arising out of or in the course of employment and which is payable or covered under any Workers' Compensation or Occupational Disease Act or Law;
12. injuries incurred more than forty (40) miles outside the territorial limits of the United States or Canada, unless such loss is incurred while You are on a trip of not more than sixty (60) days; or
13. Hospital Confinement due to giving birth or pregnancy (except for Complications of Pregnancy).

PARAGRAPH 6: RENEWABILITY

Guaranteed Renewable. You have the right to renew this Policy if You pay the correct premium when due or within the Grace Period.

PARAGRAPH 7: PREMIUM

We retain the right to change the premium on the Policy. If We do change the premium, We will do so only if: (1) We change the premiums for all policies of this same form and rate class in Your state of issue; (2) such change is in accordance with the laws and regulations of Your state of issue; and (3) We give You advance written notice, as required by Your state, prior to any premium change.

The total annual premium for this insurance coverage that You applied for is:

Policy \$ _____

Home Health Care Benefit Rider \$ _____

Hospital Indemnity Benefit Rider \$ _____

TOTAL: \$ _____