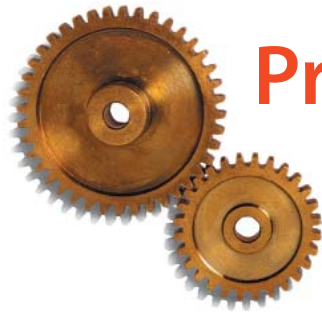


Simplicity
Long Term Care Insurance



Product
Highlight
Tool



Simplicity makes LTCi work the way it should—
easy to sell, easy to use.

MEDAmerica

An Excellus Company

MedAmerica Insurance Company

Home Office: Pittsburgh, PA

MedAmerica Insurance Company of New York

Home Office: Rochester, NY

MEDAMERICA TRUE GROUP

At MedAmerica, the group market accounts for nearly 50% of our total in-force business. This market focus not only differentiates us in the industry—it *gives us an edge*. We're committed to the group market, and we offer *only* the highest quality programs and services.

GROWTH, STRENGTH & STABILITY THROUGH PARTNERSHIP

- Ranked as a top 10 company in the national group LTCi market.*
- Chosen insurer for several large state groups including New York, Kansas and Tennessee.
- Partner with more than 30 BlueCross BlueShield plans who either private-label or endorse our LTCi product.
- Awarded business from national brokerage firms, large consulting houses and regional benefit consultants.
- Financial strength and stability permit the acquisition of large books of business including national insurers and third-party administrators.

REVOLUTIONIZING LTCI—STATE-OF-THE-ART GROUP PRODUCT DESIGN

- Competitively priced
- Servicing employers of all sizes: Employer-paid, Executive carve-out and Voluntary
- MGI available to groups with over 500 employees
- No minimum participation requirements

HELPING OUR PARTNERS ACHIEVE SUCCESS; SERVICE & SUPPORT THAT'S SECOND TO NONE!

- Dedicated Account Managers—*assist with sales, marketing, training and more!*
- Dedicated underwriting and efficient administrative systems—*process business in a timely and accurate fashion.*
- Innovative sales and marketing materials—*tools for sales success.*
- Turnkey work-site program—*flexible enough to meet each group's unique needs.*
- Online enrollment capabilities—*time tested in the marketplace.*

Get Your Business Into High Gear!

With over 15 years of experience and dedication to long term care insurance, MedAmerica is a partner you can count on for the long term. Learn how you can partner with us—call your General Agency.

For illustrative purposes only, availability of benefits, options, riders and discounts may vary by state.

** LIMRA International, 2002.*



SIMPLICITY—LTCi FOR INDIVIDUALS

What is Simplicity?

Simplicity is designed to be a **tax qualified cash product** that pays eligible policyholders their applicable Maximum Monthly Benefit in cash **without regard to services used or amounts spent**.

What is a Maximum Monthly Benefit (MMB)?

The MMB is the amount the client receives each month. **There are two MMBs: Facility and Community.** The amount paid to the client depends on where he/she is located. If the client is in a Qualified Facility, the Facility MMB will be paid. Otherwise, the Community MMB will apply. Monthly payments continue until the client is ineligible for benefits or the Lifetime Maximum is exhausted.

What is the Lifetime Maximum?

The Lifetime Maximum is the number of months of coverage the client selects. **Each month of paid benefits counts as one month toward the Lifetime Maximum regardless of which MMB is used.**

When are benefits paid?

The day after the eligible policyholder completes his/her **Calendar Day Elimination Period**, a full benefit check will be sent **paying their benefit prospectively**. Yes, the claimant may receive payment **before** incurring expenses.

Does the client have to submit bills, claim forms, or proof of loss?

Submission of provider bills, proof of loss or other information on benefit usage are not required. However, the client must submit a Request for Benefits form each month. The Request for Benefits form is an attestation of continued eligibility signed by either the policyholder or their legal representative.

Are there discounts?

Care Partner Premiums offer Spouses and Domestic Partners reduced rates. The reduction over individual rates is 20% if one Care Partner purchases (no application required from other Partner) and 40% if both are accepted and purchase (state variation may apply). **Multi-Life** programs provide discounts to enrollees in Affiliation (10%) and Employer (15%) programs. **Preferred Rates** are 15% lower than Standard Rates.

What benefit options and riders are available?*

ELIMINATION PERIODS

- 30, 60, 90, or 180 Calendar Days

FACILITY MMB

- \$2,100 and up in multiples of \$300. **No maximum.**

COMMUNITY MMB

- 80% of Facility MMB: standard options of 60% and 100% also available.

LIFETIME MAXIMUM

- 24, 36, 48, 60, 84*, or Unlimited Months*
- *84 and Unlimited Months not available to applicants over age 79.

PREMIUM PAYMENT OPTIONS

- Lifetime: Premiums payable until waived or policy lapses.
- 10 Pay: Premiums payable for 10 years.
- Paid Up At Age 65: Premiums payable until age 65.*
- Reduced Premium: Lifetime premium reduced by 50% at age 65* or 70** (client's choice).
*Not available after age 55. **Not available after age 60.

PAYMENT

- Annual, Semi-Annual, Quarterly, Monthly (EFT or Credit Card Only). Conditional premium required with application. Checks and Credit Cards (VISA and MC) accepted.

INFLATION PROTECTION

- None • 5% Simple No Maximum • 5% Compound 2X Maximum • 5% Compound No Maximum

SHARED CARE RIDER

- *Must be purchased by both Care Partners. Policies must be identical in benefits and premium payment options. Not available with selection of 24 month Lifetime Maximum.*

RESTORATION OF BENEFITS RIDER

- *Not available with Unlimited Lifetime Maximum.*

SHARED WAIVER RIDER

- *Must be purchased by both Care Partners within 6 months of each other.*

SURVIVOR BENEFIT RIDER

- *Both policies and riders must be in effect for more than 10 years. Must be purchased by both Care Partners.*

NONFORFEITURE RIDERS

- None • Return of Premium • Full Return of Premium • Shortened Benefit Period
Return of Premium available only to Applicants age 75 and under. Full Return of Premium available only to Applicants age 65 and under.

*All riders are available only at time of purchase unless stated otherwise. For illustrative purposes only, availability of benefits, options, riders, and discounts may vary by state. Some age restrictions apply. **Community Only and Facility Only options are available where permitted.**

QUOTING A CASE

GENERAL INFORMATION FOR APPOINTED AGENTS

The Simplicity Rate Proposal Program contains powerful tools that not only quote cases, they also minimize administrative time and error. Included in the program are forms and information that must be submitted. Using the program will automatically produce completed forms and the required information. While use of the Rate Proposal Program is not mandatory for all multi-life case quotes, it will make any multi-life quote easier and is required for all Employer Program cases. So please read your Rate Proposal Guide for step by step directions on making this program work for you.

NOTE: The Rate Proposal CD is available from your GA. All agents must be sure their commission contract contains a multi-life commission schedule prior to writing the first application. Commissions are reduced for Employer and Affiliation Program cases.

STARTING A MULTI-LIFE CASE

The Rate Proposal Program is mandatory for quoting Employer Program cases. No Employer Program will be accepted unless it is constructed on the Rate Proposal Program.

1. Select the Group Type for the case from the drop down box. Click on Prepare Worksheets. The worksheets are specific to the Group Type selected. These worksheets have several uses. The first is determining case viability. That is, does the case have the potential to make it worth your time pursuing it. E.g., the Sponsor won't contribute or allow access to participants or, if the demographics do not fit those of a typically successful offering, you should probably not continue. Another use for the sheets is the information entered provides administrative information that will facilitate setting the case up. If after answering the questions the case appears viable or you are not certain, return to the Sponsor Information screen and enter the required information.
2. Next, go to Census Information. If this Sponsor is contributing, you will need to create a case census either by manually entering information or importing a file. An Employer Program case census must contain: Employee Name, Gender, Date of Birth, Marital Status, and Salary for every eligible employee. **Cases will not be considered without a case census.** Save the case.

APPROVAL

3. You will not be able to open the Sponsor Plan Design until the case is approved and you have a case number. To obtain approval and a number, forward the case (with census) electronically or in hard copy to your General Agency.
4. Your General Agency will review the case with a MedAmerica Account Manager. If approved, you will be sent a file.
5. Run the file. It will open the Sponsor Design section in your case and provide a case number. This number cannot be used on any other case.
6. If the Sponsor is purchasing a defined benefit, finalize the coverage offering.

SUBMISSION

7. If the case is sold, complete and print the Sponsor Agreement form, and if the Sponsor is contributing, the Multi-Life LTC Plan Design.
8. **Both you and an authorized representative of the case sponsor must sign the Sponsor Agreement form.**
9. Submit the signed form and the Plan Design (if appropriate) to MedAmerica.
10. If the submission is an **Employer Program case**, **submit the Sponsor Agreement and Plan Design (if needed) with the required minimum participation Employee applications.**

AFFILIATION PROGRAM

WHAT QUALIFIES AS AN AFFILIATION?

A qualified Affiliation must:

- Be member based, NOT customer based (e.g., bank depositors don't qualify);
- Have a constitution and by-laws;
- Be active at least one year;
- Hold regular meetings and members have voting privileges; and
- Provide verifying documentation (by-laws, constitution, etc.) upon company request; or
- Be composed of a class of employees working for a single employer.

WHO PARTICIPATES?

The following may qualify for inclusion in the Affiliation Program:

- Affiliation Members;
- Care Partners of Affiliation Members; and
- Families of Affiliation Members. Family is defined as:
 - Children/Stepchildren or Adopted Children;
 - Parents/Parents-in-law;
 - Grandparents/Grandparents-in-law; and
 - Brother/Sister/Brother-in-law/Sister-in-law.

WHAT IS THE CASE DISCOUNT?

- 10%: Members, Care Partners, and Family

WHAT IS THE MINIMUM CASE SIZE?

- 5 Members and up

WHAT IS THE MINIMUM PARTICIPATION?

- 1 Participant

WHAT BILLING OPTIONS ARE AVAILABLE?

- Direct
- List bill:
 - Payroll Deduction: 10 Participants
 - Employer Paid: 5 Participants

WHAT ARE THE CASE PAYMENT OPTIONS?

- Sponsor Paid Defined Benefit (paid base plan);
- Sponsor Paid Defined Contribution (percent of premium or specific dollar amount); or
- Voluntary.

IS THE PREFERRED HEALTH DISCOUNT AVAILABLE?

- Yes

HOW WILL PARTICIPANTS BE RATED BY UNDERWRITING?

- Rating based on results of full underwriting review

WHAT ARE THE AGE LIMITATIONS?

- Ages 18-85

WHAT IS THE CARE PARTNER (SPOUSE OR DOMESTIC PARTNER) PREMIUM?*

- 20% less than Single rate if one purchases (no application for other Partner required).
- 40% less than Single rate if both purchase.

**Care Partner Premiums may vary by state.*

ALL COVERAGE OPTIONS ARE AVAILABLE UNDER SIMPLICITY AFFILIATION PROGRAM.

Product design may vary by state. For illustrative purposes only.

EMPLOYER PROGRAM

WHAT QUALIFIES AS AN EMPLOYER PROGRAM?

- Only cases comprised of employees participating under the sponsorship of an employer are qualified.

WHO PARTICIPATES?

The following may qualify for inclusion in the Employer Program:

- Employees;
- Care Partners of Employees; and
- Families of Employees. Family is defined as:
 - Children/Stepchildren or Adopted Children;
 - Parents/Parents-in-law;
 - Grandparents/Grandparents-in-law; and
 - Brother/Sister/Brother-in-law/Sister-in-law.

WHAT IS THE CASE DISCOUNT?

- 15%: Employees, Care Partners, and Family

WHAT IS THE MINIMUM CASE SIZE?

- 15 Employees and up

WHAT IS THE MINIMUM PARTICIPATION?

- 15 applications from eligible employees (passing Simple Underwriting) must be submitted to initiate program.

WHAT BILLING OPTIONS ARE AVAILABLE?

- Direct
- List bill:
 - Payroll Deduction: 10 Participants
 - Employer Paid: 5 Participants

WHAT ARE THE CASE PAYMENT OPTIONS?

- Employer Paid Defined Benefit (paid base plan);
- Employer Paid Defined Contribution (percent of premium or specific dollar amount); or
- Voluntary.

WHAT IS THE UNDERWRITING?

- Employees eligible for Simplified Underwriting: 6 questions, **No PHI.**
- All other participants: Full

HOW WILL PARTICIPANTS BE RATED BY UNDERWRITING?

- Standard Rating only

WHAT ARE THE AGE LIMITATIONS?

- Ages 18-85

WHAT EMPLOYEES ARE ELIGIBLE FOR SIMPLIFIED UNDERWRITING?

To be eligible for Simplified Underwriting employees must be age 65 or less:

- Working 30 hours or more per week
- If new employees, must purchase within 30 days of employment or at next open enrollment period

WHAT IS THE CARE PARTNER PREMIUM?*

- All Care Partners will receive one rate regardless of whether one or both purchase.

*Care Partner Premiums may vary by state.

P R O G R A M S

BENEFITS AVAILABLE UNDER SIMPLICITY EMPLOYER PROGRAM:

OPTIONS	FACILITY MMB (In \$300 Increments)	COMMUNITY MMB OPTIONS	LIFETIME MAXIMUM	ELIMINATION/BENEFIT WAITING PERIOD
A	\$6600 up to \$8400	60%, 80%	24, 36, or 48 Months	90 Days
B	\$4500 up to \$6300	60%, 80%, or 100%	24, 36, 48, or 60 Months	90 Days
C	\$2400 up to \$4200	60%, 80%, or 100%	24, 36, 48, 60, or 84 Months	60 or 90 Days
D	\$2100	60%, 80%, or 100%	24, 36, 48, 60, or 84 Months	30, 60, or 90 Days

PREMIUM PAYMENT OPTIONS

- Lifetime: Premiums payable until waived or policy lapses.
 - 10 Pay: Premiums payable for 10 years.
 - Paid Up At Age 65: Premiums payable until age 65.*
 - Reduced Premium: Lifetime premium reduced by 50% at age 65* or 70** (client's choice).
- * Not available after age 55. ** Not available after age 60.

PAYMENT

- Payroll Deduction: Monthly
- Direct Bill: Annual, Semi-Annual, Quarterly, or Monthly (EFT or Credit Card Only)

INFLATION PROTECTION

- None • 5% Simple No Maximum • 5% Compound 2X Maximum • 5% Compound No Maximum

SHARED CARE RIDER

- *Must be purchased by both Care Partners. Policies must be identical in benefits and premium payment options. Not available with selection of 24 month Lifetime Maximum.*

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CareDirections
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