

SERFF Tracking Number: ANTX-126828895 State: Arkansas
Filing Company: Standard Life and Accident Insurance Company State Tracking Number: 46913
Company Tracking Number:
TOI: H131 Individual Health - Short Term Care Sub-TOI: H131.002 Nursing Home
Product Name: RC II
Project Name/Number: /

Filing at a Glance

Company: Standard Life and Accident Insurance Company

Product Name: RC II

SERFF Tr Num: ANTX-126828895 State: Arkansas

TOI: H131 Individual Health - Short Term Care SERFF Status: Closed-Approved-
Closed State Tr Num: 46913

Sub-TOI: H131.002 Nursing Home

Co Tr Num:

State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Rosalind Minor

Author: Tommie Geddes

Disposition Date: 10/25/2010

Date Submitted: 09/28/2010

Disposition Status: Approved-
Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name:

Status of Filing in Domicile: Pending

Project Number:

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 10/25/2010

Explanation for Other Group Market Type:

State Status Changed: 10/25/2010

Deemer Date:

Created By: Tommie Geddes

Submitted By: Tommie Geddes

Corresponding Filing Tracking Number:

Filing Description:

This is a SHORT-TERM NURSING FACILITY POLICY which pays a Daily Benefit amount for each Day of Care received in a Nursing Facility Care or Assisted Living Facility Care up to the Lifetime Maximum Benefit of 180 or 270 or 360 Days of Care.

This is NOT a Medicare Supplement Policy nor a Long-term care policy.

There are three optional riders, two of which offer inflation protection and a third that offers a Home Health Care component.

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Also attached is an application, outline of coverage and actuarial memorandum and rates.

Company and Contact

Filing Contact Information

Tommie Sue Geddes, Compliance Analyst tommiesue.geddes@anico.com
 One Moody Plaza SSH MP, Ste. 200 281-538-4839 [Phone]
 Galveston, TX 77550 409-766-6526 [FAX]

Filing Company Information

Standard Life and Accident Insurance Company CoCode: 86355 State of Domicile: Texas
 One Moody Plaza, SSH MP, Ste. 200 Group Code: 408 Company Type: Health Insurance
 Galveston, TX 77550 Group Name: State ID Number:
 (281) 538-4842 ext. [Phone] FEIN Number: 73-0994234

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Standard Life and Accident Insurance Company	\$50.00	09/28/2010	39946064
Standard Life and Accident Insurance Company	\$250.00	10/13/2010	40683706

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	10/25/2010	10/25/2010

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	10/08/2010	10/08/2010	Tommie Geddes	10/13/2010	10/13/2010

SERFF Tracking Number: ANTX-126828895 *State:* Arkansas
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Disposition

Disposition Date: 10/25/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	Outline of Coverage	Approved-Closed	Yes
Supporting Document	Notices	Approved-Closed	Yes
Form	Policy	Approved-Closed	Yes
Form	Application	Approved-Closed	Yes
Form	Outline of Coverage	Approved-Closed	Yes
Form	Compound Inflation Protection	Approved-Closed	Yes
Form	Home Health Care	Approved-Closed	Yes
Form	Simple Inflation Protection	Approved-Closed	Yes
Rate	Actuarial Memorandome	Approved-Closed	No

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Product Name: RC II
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 10/08/2010

Submitted Date 10/08/2010

Respond By Date

Dear Tommie Sue Geddes,

This will acknowledge receipt of the captioned filing.

Objection 1

- Policy, SLA-2090 AR (Form)
- Application, RCAPP10IND (Form)
- Outline of Coverage, RCOOC10INDAR (Form)
- Compound Inflation Protection, RCCIR-0805-I (Form)
- Home Health Care, SL-HHCR-0912-I (Form)
- Simple Inflation Protection, RCSIR-0805-I (Form)

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$300.00. Please submit an additional \$250.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

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Project Name/Number: /

Response Letter

Response Letter Status Submitted to State
Response Letter Date 10/13/2010
Submitted Date 10/13/2010

Dear Rosalind Minor,

Comments:

The additional \$250.00 has been submitted.

Response 1

Comments: The additional funds have been submitted

Related Objection 1

Applies To:

- Policy, SLA-2090 AR (Form)
- Application, RCAPP10IND (Form)
- Outline of Coverage, RCOOC10INDAR (Form)
- Compound Inflation Protection, RCCIR-0805-I (Form)
- Home Health Care, SL-HHCR-0912-I (Form)
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Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

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Form Schedule

Lead Form Number: SLA-2090 AR

Schedule Item	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed 10/25/2010	SLA-2090 AR	Policy/Cont ract/Fraternal Certificate	Policy	Initial		54.000	Policy.pdf
Approved-Closed 10/25/2010	RCAPP10I ND	Application/ Enrollment Form	Application	Initial			Generic_Application.pdf
Approved-Closed 10/25/2010	RCOOC10I NDAR	Outline of Coverage	Outline of Coverage	Initial			AR Outline ST-2524.pdf
Approved-Closed 10/25/2010	RCCIR-0805-I	Policy/Cont ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Compound Inflation Protection	Initial		58.000	CIP RIDER.pdf
Approved-Closed 10/25/2010	SL-HHCR-0912-I	Policy/Cont ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Home Health Care	Initial		57.500	HOME HEALTH CARE RIDER.pdf
Approved-Closed 10/25/2010	RCSIR-0805-I	Policy/Cont ract/Fraternal	Simple Inflation Protection	Initial		58.400	SIP RIDER.pdf

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Certificate:
Amendmen
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Page,
Endorseme
nt or Rider

Standard Life and Accident Insurance Company
A Member of the American National Family of Companies
Home Office Office: One Moody Plaza, Galveston Texas 77550
Toll-Free Telephone Number: 1-888-350-1488
(A Stock Company hereafter referred to as "Standard Life", "We", "Us", "Our" or "the Company")

SHORT-TERM NURSING FACILITY POLICY

CONSIDERATION Coverage is issued in consideration of the statements made in the application and payment of the initial premium. Coverage is not provided until You pay the first full premium. The first premium pays for the initial term of coverage. The initial term of coverage begins at 12:01 a.m. in the state where you live on the Effective Date shown on this Policy Schedule of Benefits.

PREMIUM DUE DATE The initial premium is for the term shown on this Policy's Schedule of Benefits. The renewal premium for periods of coverage is due on the first day of the next term. Coverage will end (lapse) on the due date if the renewal premium in effect is not paid before the end of the Grace Period.

PREMIUMS ARE SUBJECT TO CHANGE Please refer to the section titled Premiums for further information.

RENEWAL PROVISION The Company can refuse to renew coverage under this Policy as of any renewal premium due date for reasons stated in the Termination Provision. You will be given 90 days notice prior to the termination date of such non-renewal. 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.

YOUR 30 DAY RIGHT TO EXAMINE POLICY Within 30 days after You get this Policy, You may return it in person or by regular mail to the Company or the agent who sold it to You, if for any reason You decide You do not want it. The Company will return Your premium to You. Then You and the Company will be in the same position as if this Policy had never been issued.

IMPORTANT NOTICE CONCERNING STATEMENTS IN THE APPLICATION: The issuance of this Policy is based upon Your responses to the questions on Your Application to Standard Life. A copy is attached. Carefully check all documents. 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 within 30 days from receipt of the attached copy.

NOTICE TO BUYER: This is a limited benefit health Policy. This Policy provides limited benefits. 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 *Medicare & You* 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.

FRAUD WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance Policy containing any false, incomplete or misleading information may be guilty of a felony.



Secretary



President

**THIS IS A LIMITED BENEFIT HEALTH COVERAGE POLICY
PLEASE READ THIS CAREFULLY!**

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POLICY SCHEDULE OF BENEFITS

POLICYHOLDER Information

Policy Number: [123-45-6789]
Policyholder Name: [John A. Doe]
Date of Birth: [April 15, 1968]

Effective Date: [June 1, 2004]
Issue Age: [36]

Initial Premium:

Initial Term: [Annual][Semi-annual][Quarterly][COM]

[Annual Premium]

[\$000.00]

Elimination Period [None][20 Days of Care (once per lifetime)]

Lifetime Maximum Benefit [[180][270][360] Days of Care]

Maximum Daily Benefit Amounts

Nursing Facility [\$50.00 - \$300.00]

Assisted Living Facility [\$37.50 - \$225.00]

Bed Reservation Benefit [21 days per calendar year]

Restoration Benefit [[180][270][360] Days of Care]

[Optional Attached Riders

Simple Inflation Protection Rider [\$00.00]

Compound Inflation Protection Rider [\$00.00]

Home Health Care Rider [\$00.00]

[Applicable Premium Discounts:

Spouse [10%]

Preferred Underwriting [20%]

[Other Premium Modes: [Annual] [Semi-annual] [Quarterly] [Monthly (COM)]

[Total Annual Premium \$000.00]

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SECTION I – DEFINITIONS

The terms listed below, when used in this Policy, will have the following meanings:

Activities of Daily Living (ADLs) refer to certain basic daily tasks necessary to maintain Your health and safety. In this Policy, ADLs refers to the activities described below:

1. Bathing means 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.
2. Continence means 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).
3. Eating means 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.
4. Dressing means putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
5. Toileting means getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
6. Transferring means 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.

Age means Your Age on Your last birthday.

Application means the form required by the Company that You signed to apply for coverage under this Policy. It also includes any other document that You use to change coverage under this Policy.

Assisted Living Facility means a legally licensed Assisted Living Facility where shelter, food and care are provided for remuneration for a period of more than 24 consecutive hours to four or more persons residing at such facility who require or request such services due to age, illness or physical disability.

Assisted Living Facility does not include a home, apartment, or facility where: a) casual care is provided at irregular intervals, or b) a competent person residing in such home, apartment, or facility provides for or contracts for his or her own personal or professional services if no more than 25% of persons residing in such home, apartment, or facility receive such services.

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.

Assisted Living Facility Care means care received in an Assisted Living Facility.

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.

Custodial Care means that level of care which is mainly for the purpose of meeting the ADLs. It may be provided by persons without professional skills or training. Such care is intended to: (a) maintain and support Your existing level of health; and (b) preserve Your health from further decline. It is not primarily for Your own or Your family's convenience.

Daily Benefit means the amount payable for each Day of Care. The Daily Benefit payable for each type of facility covered under this Policy is shown on this Policy's Schedule of Benefits page. Only one Daily Benefit will be payable for each Day of Care.

Day(s) of Care means a calendar day during which You were confined as a resident bed-patient in a Nursing Facility or Assisted Living Facility.

Effective Date means the day upon which Your coverage under this Policy begins. It is shown in this Policy's Schedule of Benefits.

Elimination Period 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 this 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 this Policy. The Elimination Period (if any) is shown in this Policy's Schedule of Benefits.

Emergency means the sudden onset of an Injury or Sickness or an abrupt change in health status, which requires immediate medical services, the lack of which may mean risk of permanent damage to Your health.

Grace Period means the 31 day period immediately following each renewal Premium Due Date during which Premium payments must be made. Coverage will continue in force during the Grace Period.

Hands-on Assistance means the physical assistance of another person without which You would be unable to perform the Activity of Daily Living (ADL).

Hospital means an institution that:

1. Is licensed to operate as a Hospital pursuant to law;
2. Is primarily and continuously engaged in providing or operating, on its premises and under the supervision of a staff of licensed physicians, medical, diagnostic and major surgical facilities for the medical care and treatment of sick or injured persons on an inpatient basis; and
3. Provides twenty-four-hour nursing service by or under the supervision of registered nurses.

"Hospital" does not include:

1. Convalescent homes or convalescent, rest or Nursing Facilities; or
2. An Inpatient Rehabilitation Facility or facilities affording primarily educational or rehabilitative care, including rehabilitation services rendered in a separate section of an acute care facility; or
3. Facilities for the aged, drug addicts or alcoholics; or
4. A Long-term Acute Care Facility.

Immediate Family Members means a person who is related to You in any of the following ways: spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, parent (includes stepparent), brother or sister (includes stepbrother and stepsister), or child (includes legally adopted or stepchild).

Injury or Injuries means accidental bodily Injury sustained by You that:

1. is the direct cause of the condition for which benefits are provided,
2. is independent of disease or bodily infirmity or any other cause, and
3. occurs while the insurance is in force.

All Injuries sustained in one accident, including all related conditions and recurring symptoms of the Injuries will be considered one Injury.

Inpatient Rehabilitation Facility means a Hospital, clinic, or other facility or part thereof whose primary function is comprehensive or work-specific integrated inpatient rehabilitation. The facility's primary objective is restoration of physical and cognitive abilities to persons who have suffered disabling sickness or injury. Physicians direct the integration and application of services. The services consist primarily of physical, occupational, speech, and cognitive therapies.

The definitions of Hospitals and Nursing Facilities do not include Inpatient Rehabilitation Facilities.

Intermediate Care means a degree of nursing care and evaluation that is less than that provided for Skilled Nursing Care, but greater than that provided for Custodial Care. This level of care provides a planned, continuous program of nursing care that is preventive or rehabilitative in nature.

Licensed Health Care Practitioner or Physician means a person who is a practitioner of the healing arts that is:

1. licensed by the proper authorities in the jurisdiction in which he or she practices;
2. operating within the scope of his or her license in rendering or prescribing medical care or treatment;
3. not You or Your Immediate Family Members; and
4. not a court-appointed representative.

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 this Policy. The Lifetime Maximum Benefit is shown in this Policy's Schedule of Benefits. Once the Lifetime Maximum Benefit is met, no further benefits are payable and coverage terminates.

Long-Term Acute Care Facility means an institution that:

1. Is licensed to operate as a Hospital pursuant to law;
2. Is primarily and continuously engaged in providing or operating, either on its premises or in facilities available to the Hospital on a prearranged basis and under the supervision of a staff of fully licensed physicians, medical, diagnostic and major surgical facilities for the medical care and treatment of sick or injured persons on an inpatient basis;
3. Provides twenty-four-hour nursing service by or under the supervision of registered nurses; and
4. Has an average inpatient length of stay greater than 25 days or is defined by Medicare as a Long-Term Acute Care Hospital.

The definitions of Hospitals and Nursing Facilities do not include Long-Term Acute Care Facilities.

Loss means any of the following:

1. You are unable to perform, without Hands-on-Assistance, at least two (2) ADLs, due to Loss of functional capacity; or
2. You have suffered a Cognitive Impairment and require Substantial Supervision; or
3. You require Nursing Facility Care or Assisted Living Facility care, due to Medical Necessity.

Maximum Daily Benefit means the maximum daily amount payable for Covered Services covered by this 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 this Policy is shown in this Policy's Schedule of Benefits.

Medical Necessity or Medically Necessary means that Your Physician has certified that admission to a Nursing Facility or Assisted Living Facility is necessary and consistent with generally accepted standards of medical practice (i.e., diagnosis, care, treatment) for Your medical condition. Periodic recertification by Your Physician of the need for continued Nursing Facility or Assisted Living Facility confinement may be required.

Medical Necessity or Medically Necessary does not mean care or services that: (a) are designed primarily for the comfort or convenience of You or Your family, or any person who cares for You; or (b) could be safely and adequately provided in a setting other than a Nursing Facility or Assisted Living Facility.

Medicare means the Health Insurance for the Aged Act set forth in Title XVIII of the United States Social Security Amendments of 1965, as then constituted or as later amended.

Mental or Nervous Disorder means: (a) neurosis; (b) psychoneurosis; (c) psychopathy; (d) psychosis; or (e) a mental or nervous disorder of any kind. It does not mean senility or Alzheimer's disease.

Nurse means a legally qualified person who is either: (a) a Registered Nurse (R.N.); (b) a Licensed Practical Nurse (L.P.N.); (c) a Licensed Vocational Nurse (L.V.N.); or (d) a Licensed Public Health Nurse (L.P.H.N.).

Nursing Facility means a legally licensed Nursing Facility that provides medical care, nursing care, rehabilitation, or related services and associated treatment for a period of more than 24 consecutive hours to persons residing in such facility who are ill, injured, or disabled.

"Nursing Facility" does not mean:

1. a Hospital, clinic, Long-Term Acute Care Facility, or Inpatient Rehabilitation Facility; or
2. an institution that is operated mainly for the treatment and care of alcoholism or drug addiction; or
3. any home, facility or part thereof used primarily for rest; or
4. a home or facility for the aged; or
5. a soldiers' home.

Nursing Facility Care means care or treatment received in a Nursing Facility.

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; (d) 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.

After one Plan of Care has ended, if You suffer another Loss, this next Loss will require a new Plan of Care.

Policyholder means the person named as "Policyholder" in this Policy's Schedule of Benefits for whom an Application is received and accepted by Us and proper premium payment has been made.

Policy Year means the 365 days (366 in a leap year) beginning with the Effective Date of this Policy; and each year thereafter beginning with the anniversary of the Effective Date of this Policy.

Rating Class means a population segment classified by actuaries as having similar insurance risks based on the following factors: (a) age; (b) sex; (c) marital status; (d) benefit options; (e) underwriting class; and (f) underwriting year.

Sickness means illness or disease that first manifests itself after the Effective Date and while this Policy is in force and is not otherwise excluded.

Skilled Nursing Care means that level of care which is provided by:

1. a licensed registered nurse for at least 8 consecutive hours per day, 7 days a week; and
2. a licensed registered nurse or licensed practical nurse on a 24 hour basis, 7 days a week.

Care must be prescribed by a Physician for the medical care of the patient and may not be provided by less skilled or less intensive care, such as Custodial Care or Intermediate Care.

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).

You, Your and Yours refers to the Policyholder named in this Policy's Schedule of Benefits, for whom an Application has been received and accepted by Us and proper premium payment has been made.

SECTION II - BENEFIT INFORMATION

Eligibility for the Payment of Benefits

While You are insured under this Policy, You will be eligible to receive the Daily Benefit amount shown in this Policy's Schedule of Benefits for each Day of Care that You receive Nursing Facility Care or Assisted Living Facility Care if:

1. You are unable to perform, without Hands-on-Assistance, at least two (2) ADLs, due to Loss of functional capacity; or
2. You have suffered a Cognitive Impairment and require Substantial Supervision; or
3. The Day of Care is Medically Necessary.

AND

1. the confinement is approved in Your Plan of Care;
2. the Day of Care for which benefits are eligible begins on or after the Effective Date of this Policy.
3. the Elimination Period stated in this Policy's Schedule of Benefits has been met.

Each Day of Care must be:

1. Due to covered Injury or Sickness;
2. An overnight stay of 18 or more consecutive hours;
3. Approved by the Company and included in the Plan of Care;
4. At the direction of and under the supervision of a Physician; and
5. Medically Necessary.

Benefits are payable for each Day of Care beyond the Elimination Period up to the Lifetime Maximum Benefit shown in this Policy's Schedule of Benefits. Once the Lifetime Maximum Benefit has been reached, no further benefits are payable under this Policy and the coverage terminates.

Nursing Facility Daily Benefit

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

1. You are receiving Skilled Nursing Care, Intermediate Care, or Custodial Care; and
2. You have satisfied the other requirements described under "Eligibility for the Payment of Benefits".

The amount of Your benefit payment will be equal to the lesser of: 1) the Maximum Daily Benefit shown in the Policy Schedule of Benefits for the type of facility in which Your Day of Care is received; or 2) the actual daily charge. You may receive Days of Care in any combination of Nursing Facility Care or Assisted Living Facility Care; however, only one Daily Benefit (whichever provides the greatest benefit) will be paid for each Day of Care.

The conditions of Eligibility for the Payment of Benefits must be met before You are eligible to receive benefit payments.

Total benefit payments will not be paid for a period longer than the Lifetime Maximum Benefit shown in this Policy's Schedule of Benefits. Payment of benefits is subject to all the stated conditions and provisions of this Policy. Refer to the Exclusions section for services that are not covered.

Assisted Living Facility Care Benefit

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

1. You are receiving Assisted Living Facility Care; and
2. You have satisfied the requirements described under "Eligibility for Benefit Payments."

The amount of Your benefit payment will be equal to the lesser of: 1) the Maximum Daily Benefit shown in the Policy Schedule of Benefits for the type of facility in which Your Day of Care is received; or 2) the actual daily charge. You may receive Days of Care in any combination of Nursing Facility Care or Assisted Living Facility Care; however, only one Daily Benefit (whichever provides the greatest benefit) will be paid for each Day of Care.

The conditions of Eligibility for the Payment of Benefits must be met before You are eligible to receive benefit payments.

Total benefit payments will not be paid for a period longer than the Lifetime Maximum Benefit shown in this Policy's Schedule of Benefits. Payment of benefits is subject to all the stated conditions and provisions of this Policy. Refer to the Exclusions section for services that are not covered.

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 this Policy's 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.

Restoration Benefit

We 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 this Policy's Schedule of Benefits. To receive this benefit, you must:

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

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 this Policy's Schedule of Benefits.

SECTION III – EXCLUSIONS

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

1. a Loss caused by or resulting from alcoholism or drug addiction;
2. a Loss caused by or resulting from illness, treatment, or medical condition arising out of any of the following:
 - a) war (whether declared or not) or any act of war;
 - b) participation in a felony, riot, or insurrection;
 - c) service in the armed forces or auxiliary units of the armed forces; or
 - d) attempted suicide (while sane or insane) for 2 years from the effective date, or intentionally self-inflicted injury;
3. confinement in a government facility, unless a charge is made that You are obligated to pay (except otherwise required by law);
4. confinement in a facility outside the United States of America, its possessions and territories;
5. confinement in a Hospital, except a Nursing Facility that is a distinct part of the Hospital;
6. 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;
7. a Loss for which no charge is normally made in the absence of insurance; or
8. a Loss that is not included in or is inconsistent with Your Plan of Care.

SECTION IV – TERMINATION PROVISIONS

The Extension of Benefits provision may apply when Your coverage would otherwise terminate in accordance with the terms of this section.

We can terminate or non-renew coverage under this Policy under any of the following conditions:

1. The date You have exhausted the Lifetime Maximum Benefit;
2. The date of Your death;
3. The next premium due date after You have failed to pay premiums or contributions in accordance with the terms of this Policy or We have not received timely premium payments;
4. The date You have performed an act or practice that constitutes fraud or made an intentional misrepresentation of material fact in applying for coverage or under the terms of this Policy, subject to the paragraph titled Time Limit On Certain Defenses under Section VII;
5. The next premium due date after We are ceasing to offer coverage in the medical expense market in accordance with applicable state law.

If We refuse to renew coverage under reason numbers 3 and 4 above, We will give You 30 days notice prior to the non-renewal effective date.

If We discontinue offering all health insurance coverage in this market under number 5 above, We will give 180 days notice to the Commissioner of Insurance and to the Policyholders.

At the time of coverage renewal, We may modify coverage under this Policy. However, the modification must be consistent with State law and effective on a uniform basis among all individuals that We cover under this Policy.

Subject to the conditions listed above, We cannot refuse to renew coverage:

1. Just because of a change in Your health or the type of work You perform; or
2. Just because of the claims filed by You or on Your behalf, unless the claims are fraudulent.

SECTION V - CLAIMS PROVISIONS

NOTICE OF CLAIM You must give the Company written notice of a claim. It should be given within 60 days after the occurrence or commencement of any loss covered by this Policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of You to Us at our Home Office, or to any authorized agent of the Company, with information sufficient to identify You, will be deemed notice to the Company.

CLAIM FORMS The Company will send You a claim form when Your notice of claim is received. If the form is not furnished within 15 days from the time You give notice, You may fulfill the proof of loss requirements by sending written proof covering the occurrence, the character and the extent of the loss for which claim is made within the time set in Proof of Loss.

PROOF OF LOSS You should give the Company written proof of loss within 90 days after such loss. If it is not reasonably possible to do so, the Company will not reduce or deny Your claim for being late if proof is given as soon as reasonably possible. It must, however, be given within 15 months from the date of loss, unless You are not legally capable.

TIME OF PAYMENT OF CLAIMS All benefits due under this Policy will be paid as soon as due proof of loss is received.

PAYMENT OF CLAIMS All benefits due under this Policy will be paid to You or Your estate. If they are payable to Your estate, the Company may pay such benefits up to an amount not to exceed \$1,000 to any of Your relatives by blood or marriage who is deemed by the Company to be equitably entitled thereto. Any payment made by the Company in good faith pursuant to this provision will fully discharge the Company to the extent of such payment.

ASSIGNMENT Subject to any written direction of Yours in the application or otherwise, all or a portion of any benefits provided by this Policy may, at the Company's option and unless You request otherwise in writing not later than the time of filing proofs of loss, be paid directly to the facility rendering such services; but it is not required that the service be rendered by a particular facility.

PHYSICAL EXAMINATIONS The Company may have You examined at its own expense as often as it may reasonably require while a claim is pending under this Policy.

LEGAL ACTIONS No action at law or in equity shall be brought to recover under this Policy for at least 60 days after You have given the Company written proof of loss in accordance with the requirements of this Policy. You cannot start such action more than 3 years after the date proof of loss is required to be furnished.

SECTION VII - ABOUT YOUR POLICY

ENTIRE CONTRACT, CHANGES This Policy, Your application and attached papers, if any, is the entire contract of insurance. It may not be changed in any way by any agent. Only an officer of the Company can approve a change. All statements made in the absence of fraud, made by the applicants will be deemed representations and not warranties. No such statement will void the insurance or reduce the benefits unless contained in a written application of which a copy will be attached to this Policy.

TIME LIMIT ON CERTAIN DEFENSES After 2 years from the Effective Date of this Policy, no misstatements, except fraudulent misstatements, made by You in Your Application for coverage will be used to void this Policy or to deny a claim for Loss incurred commencing after the expiration of such two-year period.

No claim for loss incurred commencing after 2 years from the Effective Date of coverage under this Policy will be reduced or denied on the ground that a disease or physical condition not excluded from coverage by name or specific description effective on the date of loss had existed prior to the effective date of coverage under this Policy.

CONFORMITY WITH STATE STATUTES Any provision which, on the Effective Date, is in conflict with the laws of the state where You then live is automatically amended to conform to the minimum requirements of those laws.

TIME PERIODS Each Policy term will begin and end at 12:01 A.M. in the state where You live.

REFUND OF PREMIUM AT DEATH – If the Policy is in force when You die, coverage will end and the pro rata unearned portion of any premium paid will be refunded. Unearned premiums will be paid in a lump sum no later than thirty (30) days after We receive proof of Your death.

MISSTATEMENT OF AGE If Your Age as shown in the Application is incorrect, all amounts payable under this Policy will be the amounts the premium actually paid would have purchased at the correct Age. The Company's liability will be limited to a refund of the premium paid for You if, according to Your correct Age, coverage under this Policy would not have been issued.

UNPAID PREMIUM Any due and unpaid premium for this Policy may be deducted from its benefits then payable.

RIGHT OF RECOVERY The Company has the right to recover any overpayment made because of an error in the processing of a claim. Any amounts which have not been recovered at the time another benefit is payable, may be recovered by offset against the benefit amount then due. We will not withhold any portion of any benefit payable unless:

1. We have written authorization from the claimant permitting such withholding procedure, or
2. We have clear, documented evidence that:
 - a. The overpayment was clearly erroneous under the provisions of the Policy; and
 - b. The error which resulted in the overpayment is not a mistake of law; and
 - c. We have notified the claimant within six (6) months of the date of the error, except in instances or error prompted by representations or modifications or nondisclosures of claimants, We have notified the claimant within fifteen (15) days after the date that clear, documented evidence of discovery of such error is included in our file; and
 - d. Such notice states clearly the nature of the error and the amount of the overpayment.

We will not adjust an overpayment no later than three (3) years after the date of the error. For purposes of this section, the date of the error will be the day on which the draft for benefits is issued.

SECTION VII – PREMIUMS

The required Premium must be paid on each Premium Due Date or prior to the end of the Grace Period.

PREMIUM CHANGES Your premium rate will not be changed due to Your Age or use of coverage under this Policy. Any change will be made only on a Rating Class basis. The Premium rate for this Policy is guaranteed not to change for the first year this Policy is in force, unless the terms of this Policy are changed.

Rate changes will be effective on the next Premium Due Date after the Company has provided 60 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 or Assisted Living Facility Care benefits will not be required to continue Your coverage. Premium payments will resume in accordance with this Policy's provisions when you are discharged from the Nursing Facility or Assisted Living Facility.

SECTION VIII - HOW TO KEEP YOUR POLICY IN FORCE

GRACE PERIOD There will be a grace period for payment of each renewal premium. It will be 31 days from the date the premium is due. This Policy will stay in force during the 31 days. The coverage will lapse if the premium is not paid before the end of the grace period.

REINSTATEMENT Coverage lapses if You do not pay a periodic premium payment before the end of the Grace Period. Our later acceptance of premium, (or acceptance of premium by one of Our authorized agents) without requiring an Application for reinstatement, reinstates coverage under this Policy.

We will require an Application for reinstatement. We will subject all representations made in this Application to all of the provisions of this Policy, including Time Limit on Certain Defenses. If We approve the Application for reinstatement, We will reinstate coverage as of the approval date of the reinstatement Application. If We do not approve the reinstatement and do not notify You in writing of the disapproval within 45 days, We must reinstate coverage. The reinstatement will take place on the forty-fifth 45th day following the date of the reinstatement Application .

The reinstated plan only covers:

1. Loss that results from an Injury that You sustain after reinstatement; or
2. A Sickness that begins ten days or more after the date of reinstatement.

In all other respects, Your rights and Our rights will remain the same, subject to any provisions noted on or attached to the reinstated coverage.

We will apply any premiums that We accept for reinstatement to a period for which You have not paid premiums. We will not apply any premium to any period more than 60 days before the reinstatement date. **We will not consider a request for reinstatement that You make more than 180 days after coverage has lapsed.**

ELECTRONIC ACCOUNT DEBIT AUTHORIZATION If You have chosen Electronic Account Debit as Your method of premium payment, You agree that:

1. We are authorized to debit Your named account for premium payments;
2. The account debit will be made electronically without the signature of any officer or employee of the Company; We will not provide a receipt for any account debit;
3. The Company will not incur any liability because of dishonor of the account debit;
4. Upon refusal of the financial institution to honor any attempted debit of the named account, We will cease to debit Your account. We will send You written notice, requesting payment in full of the required premium. Upon Your payment of the required premium, We will again begin to debit Your account. However, if You do not pay the required premium, Your coverage will lapse in accordance with the Grace Period provision; and
5. Except as provided in (4) above, the authorization remains effective unless either party ends the authorization. Before ending the authorization, a party must provide the other party at least 30 days advance written notice. We are not liable for amounts debited from Your account prior to Our receipt of written notification to end coverage.



Standard Life and Accident Insurance Company
Recovery Care Application
 Mailing Address: P.O. Box 696870, San Antonio, TX 78269
 888.350.1488

RECOVERY CARE II APPLICATION *(Please Print - Black Ink)*

SECTION A

1. Applicant _____ Date of Birth _____ Age _____
First Name Middle Initial Last Name
 Home Address _____ City _____ State _____ Zip _____
 Phone () _____ Best Time to Call _____ Email _____
2. Billing Address (if different) _____ City _____ State _____ Zip _____
3. Height _____ Weight _____

SECTION B

- New Policy Reinstatement
- 4. Male Female
- 5. **I AM APPLYING FOR:**
 - a) Daily Benefit \$ _____
 - b) Lifetime Maximum Benefit Period (days): 180 270 360
 - c) Elimination Period (days): 0 20
 - d) Inflation Protection Rider: Compound Simple
 - e) Home Health Care Rider (if Inflation Protection Rider included in Base Plan, it must be included in Home Health Care Rider)
- 6. **Payment Mode:** Annual Semi-Annual Quarterly Monthly PAC
- 7. **Requested Effective Date:** _____

SECTION C

If the answer to any question in Section C (8-11h) is Yes, the application should not be submitted.

8. Are you now bedridden, confined to a nursing home, assisted living facility or hospital, or receiving the services of a home health care agency?..... Yes No
9. Within the past **10 years**, have you been treated for or diagnosed by a medical professional as having acquired immune deficiency syndrome (AIDS), AIDS related complex (ARC) or human immunodeficiency virus (HIV) infection? ... Yes No
10. Within the past **2 years**, have you:
 - a) had or been recommended to have medical tests or treatment or surgery which have not been done or for which results have not been given? Yes No
 - b) been hospitalized 2 or more times or confined to a nursing home or required assistance or supervision by another person for dressing, eating, personal hygiene (bathing or toileting), walking or transferring to or from a bed or chair or suffered a fracture of the spine or hip? Yes No
 - c) required the use of a wheelchair, walker or cane? Yes No
 - d) been advised to have cataract surgery or other eye surgery that has not been performed? Yes No

11. Do you now have or within the past **2 years** have you had or been advised to have treatment, surgery or to take prescription medication for:
- a) cancer (excluding basal or squamous cell), Hodgkin's disease, leukemia, or melanoma; even if the conditions are in remission? Yes No
 - b) congestive heart failure, coronary artery disease, peripheral vascular disease, circulatory disorder, heart disease, enlarged heart, transient ischemic attack, stroke, heart or heart valve surgery, angioplasty, pacemaker, or stent placement? Yes No
 - c) uncontrolled or insulin dependent diabetes, amputation or eye disease due to diabetes, chronic cystitis, Addison's disease, kidney failure, nephritis, renal insufficiency or kidney dialysis or gangrene? Yes No
 - d) emphysema, chronic bronchitis, chronic obstructive pulmonary disease (COPD), chronic obstructive lung disease (COLD), or any chronic pulmonary disease requiring the use of oxygen?..... Yes No
 - e) ulcerative colitis, Crohn's disease, cirrhosis of the liver, hepatitis or any disease of the pancreas or prostate not cured by surgery or treatment? Yes No
 - f) Paget's disease, rheumatoid or disabling arthritis, lupus or other bone or connective tissue disorder? Yes No
 - g) mental or nervous disorder requiring psychiatric treatment, organic brain disorder, Alzheimer's disease, ALS (Lou Gehrig's disease), muscular dystrophy, myasthenia gravis, Parkinson's disease, multiple sclerosis, cerebral palsy, epilepsy, neuropathy, paralysis, senile dementia or other senility disorders or alcohol or drug abuse?..... Yes No
 - h) incontinence, any ostomy present due to disease, an organ transplant other than corneal? Yes No
12. Within the past **2 years**, have you consulted a physician, been diagnosed or received treatment for any condition not listed above, including dizziness, vertigo, tremors, seizures, depression, anxiety, amputation, arthritis, asthma, osteoporosis, urinary incontinence, heart rhythm disorders, heart bypass or heart attack?..... Yes No
- If Yes, give information regarding diagnosis or condition. (use additional sheet if necessary) _____

SECTION D

Will any health, recovery short term, long term, or home health care insurance be replaced with this policy?..... Yes No

If Yes, which company? _____ Policy Number _____

If Yes, read and complete the Notice to Applicant Regarding Replacement.

SECTION E

AGREEMENT — I have read or had read to me my completed application. My answers are true and complete to the best of my knowledge and belief. I understand my coverage, if issued, will begin on the date of issue shown in my policy. I realize that if any of my answers on this application are incorrect or untrue, Standard Life and Accident Insurance Company has the right to deny benefits or rescind my Policy. If application taken over the phone, I agree that my electronic signature serves as my original signature.

FRAUD WARNING — Any person who knowingly and with intent to injure, defraud or deceive any insurer, submits an application for insurance or makes a claim for the proceeds of an insurance policy containing any false, incomplete or misleading information may be guilty of a felony.

ACKNOWLEDGMENT — If Medicare eligible, I have received the *Guide to Health Insurance for People with Medicare* and a Duplication of Medicare Coverage form from the Agent.

The policy provides limited benefits. Review your policy carefully.

Applicant's Signature _____ Date _____

City _____ State _____ Zip _____

A TELEPHONE INTERVIEW WILL BE CONDUCTED.

What will be the best time to contact the Applicant for the telephone interview? _____

**AUTHORIZATION TO OBTAIN, RELEASE
AND DISCLOSE MEDICAL INFORMATION**

I hereby authorize any: physician, medical practitioner, hospital, clinic or other medical related facility, insurance company, insurance support organization, business partner, pharmacy, government agency, group policyholder, employer, benefit plan administrator, the Medical Information Bureau, the Department of Motor Vehicle Registration and paramedical facility to provide to STANDARD LIFE AND ACCIDENT INSURANCE COMPANY, or to any agent, attorney, consumer reporting agency or independent administrator, including medical record retrieval services or pharmaceutical services, acting on STANDARD LIFE AND ACCIDENT INSURANCE COMPANY's or its reinsurers' behalf, information concerning advice, care or treatment sought by or provided to me and/or any other Applicant for coverage, including information relating to medical history, medical conditions, treatment, hospitalizations or confinements, ailments, and/or drug, alcohol or tobacco usage of the Applicant(s). It is understood that STANDARD LIFE AND ACCIDENT INSURANCE COMPANY underwriters, claim examiners, reinsurers, attorneys, or the medical director may disclose such health information to the aforementioned parties for purposes of underwriting, compliance, record clarification or explanation, or in response to litigation, summons, or subpoenas. I understand that after this information is disclosed, the recipient may redisclose it, resulting in loss of protection by federal regulations.

I understand that:

1. such information will be used by STANDARD LIFE AND ACCIDENT INSURANCE COMPANY for underwriting and insurability determinations;
2. I may refuse to sign this authorization and that my refusal to sign will affect my ability to obtain health insurance coverage;
3. a picture copy or photocopy of this authorization shall be as valid as the original; and
4. I, or my authorized representative, am entitled to receive a copy of this authorization upon request.

(Turn over to continue)

**AUTHORIZATION TO OBTAIN, RELEASE
AND DISCLOSE MEDICAL INFORMATION (continued)**

This authorization is valid from the date signed for a duration of 24 months. I understand I may revoke the authorization at any time, except to the extent that action has been taken in reliance on this authorization, by sending written notice to the Health Underwriting Department of STANDARD LIFE AND ACCIDENT INSURANCE COMPANY, P.O. Box 1991, Galveston, Texas 77553. *I may inspect or copy any information used or disclosed under this authorization, if signed.* If application taken over the phone, I agree that my electronic signature serves as my original signature.

Date

Applicant's Signature

Witness

Personal Representative designated by signature above is hereby authorized to execute this instrument based on: (circle one) power of attorney, guardian, guardian-in-fact, payee representative or other



DISCLOSURE NOTICE

In connection with your application, Standard Life and Accident Insurance Company (Standard Life), or its reinsurers, may obtain medical and other information for evaluation purposes. Standard Life may obtain that information from the Medical Information Bureau, Inc. or any medical professional, medically related facility, insurance support organization or insurance company who possesses information about the care, treatment or advice given you or your family. That information could concern drugs, alcoholism or mental illness. Standard Life may also obtain an investigative consumer report on you.

Medical Information Bureau (MIB) Pre-notification – Information regarding your insurability will be treated as confidential. Standard Life or its reinsurers may, however, make a brief report thereon to the MIB, Inc., formerly known as Medical Information Bureau, a not-for-profit membership organization of insurance companies, which operates an information exchange on behalf of its members. If you apply to another MIB member company for life or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information about you in its file.

Upon receipt of a request from you, MIB will arrange disclosure of any information in your file. Please contact MIB at 866.692.6901 (TTY 866.346.3642). If you question the accuracy of the information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the federal Fair Credit Reporting Act. The address of MIB's information office is 50 Braintree Hill Park, Suite 400, Braintree, Massachusetts 02184-8734.

Standard Life, or its reinsurers, may also release information from its file to other insurance companies to whom you may apply for life or health insurance, or to whom a claim for benefits may be submitted. Information for consumers about MIB may be obtained on its website at www.mib.com.

Fair Credit Reporting Act Pre-notification – Federal and state laws require notification that, with your application, we may request an investigative consumer report. In addition, such a report may be requested subsequently to update our records or if you apply for additional coverage. Upon written request, we will inform you whether or not an investigative consumer report was requested and, if such report was requested, the address and telephone number of the investigative agency to which the request was made. By contacting the local office and providing the proper identification, you may inspect, or for the appropriate fee, receive a copy of such report. Typically, the report will contain information as to character, general reputation, personal characteristics, and mode of living, which information is obtained through an interview with you or an adult member of your family, employers or business associates, financial sources, friends, neighbors, or others with whom you are acquainted. The information will consist, when applicable, of a confirmation of your identity, age, residence, marital status, and past and present employment including occupational duties, financial information, driving record, sports and recreational activities, health history, use of alcohol or drugs if any, living conditions and type of community.

Standard Life and Accident Insurance Company

Mailing Address: P.O. Box 696870, San Antonio, Texas 78269
888.350.1488

RECEIPT

IF PREMIUM IS COLLECTED, CHECK OR MONEY ORDER FOR INITIAL PREMIUM MUST ACCOMPANY APPLICATION. ALL CHECKS AND MONEY ORDERS MUST BE PAYABLE TO STANDARD LIFE AND ACCIDENT INSURANCE COMPANY.

If coverage is not issued, the initial premium will be refunded to the Applicant. If coverage is issued, it will begin on the date of issue shown in the policy.

Received from _____

on _____
Date

an application for _____
Recovery Care II

and a Check Money Order

for \$ _____

Applicant's Signature

Agent's Signature



Standard Life and Accident Insurance Company

Mailing Address: P.O. Box 696870, San Antonio, Texas 78269
888.350.1488

Recovery Care II

LIMITED BENEFIT HEALTH COVERAGE OUTLINE OF COVERAGE

Standard Life and Accident Insurance Company

A Member of the American National Family of Companies

P.O. Box 696870

San Antonio, Texas 78269

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: [_____] 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

- 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

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

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

- 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.



COMPOUND INFLATION PROTECTION RIDER

Providing Increases in Benefit Amounts of 5% Compounded Annually

In consideration of the timely payment of the additional required premium, this Compound Inflation Protection Rider is added to and made a part of Your Policy on its Effective Date; subject to all the terms and conditions stated in Your Policy and those stated in this Rider. The additional required premium for the coverage provided by this Rider is shown in the Schedule.

BENEFIT INCREASE On the first anniversary date of Your Policy and on each subsequent Policy anniversary date, we will automatically increase the Maximum Daily Benefit Amounts (for Nursing Facility Care and the Assisted Living Facility Care) listed in Your Policy's Schedule of Benefits. Each increase will be five percent (5%) of the Maximum Daily Benefit Amount in effect on the most recent anniversary.

The increases will occur annually and continue while Your Policy and this Rider are in force. Increases to the Maximum Daily Benefit Amounts will continue while You are receiving benefits on a continuing claim. The increase does not apply to any other amount shown in Your Policy.

TERMINATION This Rider will terminate on the earliest of the following dates: 1) the date Your Policy terminates or lapses; or 2) the date this Rider is cancelled.

In the event of any conflict between this Rider and Your Policy, this Rider will prevail. This Rider will not vary, alter, waive, or extend any of the terms, conditions, provisions, or limitations of Your Policy, other than as stated herein.

Signed for Standard Life and Accident Insurance Company by:

Secretary

President



A Member of the American National Family of Companies
Administrative Office: One Moody Plaza, Galveston, Texas 77550
1-888-350-1488

HOME HEALTH CARE RIDER

In consideration of timely payment of additional premium, this Home Health Care Rider is added to and made a part of your insurance Policy on the Home Health Care Rider Effective Date shown in the Schedule of Benefits, subject to all terms and conditions stated in Your Policy which do not conflict with the provisions of this Rider. The premium for this Rider is shown in Your Policy's Schedule of Benefits.

As used in this Rider:

"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:

1. Nursing services provided by a:
 - (a) registered nurse;
 - (b) licensed practical nurse;
 - (c) licensed vocational nurse; or
 - (d) a licensed public health nurse;
2. Physical therapy;
3. Speech therapy;
4. Respiratory therapy; or
5. 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.

"Home Health Care Agency" means an agency or organization which provides Home Health Care services, and:

1. Is licensed or certified, if required by the jurisdiction in which it is located; or accredited by:
 - (a) the National Home Caring Council, a Division of the Foundation for Hospice and Home Care;
 - (b) the Joint Commission Accreditation of Health Care Organizations; or
 - (c) the National League for Nursing;
2. Is supervised by a qualified professional such as a registered nurse or a licensed social worker;
3. Whose employees receive appropriate specialized training; and
4. Keeps clinical records, including Physician's orders where appropriate, on all patients.

"Homemaker Services" means services that are provided by persons without professional skills or training, who may or may not be working under the supervision of a Home Health Care Agency. "Homemaker Services" may include meal preparation, light housekeeping (such as care and cleaning of the house, clothing and linens), shopping for food and other personal items, and providing transportation to essential service facilities.

"Lifetime Home Health Care Benefit" means the total number of days of Home Health Care benefits payable under Your Policy. The Lifetime Home Health Care Benefit is shown in Your Policy's Schedule of Benefits. Once the Lifetime Home Health Care Benefit is met, no further benefits are payable and coverage under this Rider terminates.

"Maximum Home Health Care Daily Benefit" means the maximum amount payable for Home Health Care services in each 24 hour calendar day. The Maximum Home Health Care Daily Benefit is shown in Your Policy's Schedule of Benefits. In no event will the Maximum Home Health Care Daily Benefit payable for covered services exceed the actual daily charge.

Eligibility for Benefits

You are eligible to receive benefits if all of the following requirements are met:

1. You are unable to perform, without Hands-on-Assistance, at least two (2) ADLs, as defined in Your Policy, due to loss of functional capacity or You have suffered a Cognitive Impairment and require Home Health Care;
2. You would otherwise require a stay in a Hospital, Nursing Facility, Assisted Living Facility or any other facility for which room and board is charged;
3. The Home Health Care is Medically Necessary; and
4. The Home Health Care is prescribed in a plan of care by Your Physician.

Home Health Care services must begin after the Effective Date of this Rider and be provided while coverage is in force.

Benefit Information

We will pay up to the Maximum Home Health Care Daily Benefit for each day you incur Home Health Care charges provided by a Home Health Care Agency, subject to the Lifetime Home Health Care Benefit amount shown in Your Policy's Schedule of Benefits.

Home Health Care benefits are not provided for Homemaker Services.

If a Compound Inflation Protection Rider or a Simple Inflation Protection Rider are in effect concurrently with this Rider and shown on the Schedule of Benefits, the amount of the Maximum Home Health Care Daily Benefit will be adjusted on the same basis as the Maximum Daily Benefit Amount for Nursing Facility care.

Premium payments due for this Rider will be waived while Home Health Care benefits are payable. Premium payments for this Rider will resume in accordance with Your Policy provisions when You are no longer receiving Home Health Care.

This Rider is not subject to any other benefits of Your Policy, including the Restoration Benefit.

Termination

This rider terminates on the earliest of the following:

1. the date Your coverage expires;
2. the date the Lifetime Home Health Care Benefit is met;
3. when the required premium is not paid within the grace period; or
4. the premium due date on or next following the date we receive Your written request to terminate this rider.

Except as stated in this Rider, nothing contained in this Rider will be held to change, waive or extend any provisions of Your Policy.



Secretary

Annual Premium

Home Health Care Rider:

[\$00.00]

Home Health Care Rider Effective Date:

[January 1, 2010]

Maximum Home Health Care Daily Benefit

**[75% of the Nursing Facility
Maximum Daily Benefit Amount]**

Lifetime Home Health Care Benefit

[90 Days]



SIMPLE INFLATION PROTECTION RIDER

Providing Increases in Benefit Amounts of 5% Annually

In consideration of the timely payment of the additional required premium, this Simple Inflation Protection Rider is added to and made a part of Your Policy on its Effective Date; subject to all the terms and conditions stated in Your Policy and those stated in this Rider. The additional required premium for the coverage provided by this Rider is shown in the Schedule.

BENEFIT INCREASE On the first anniversary date of Your Policy and on each subsequent Policy anniversary date, we will automatically increase the Maximum Daily Benefit Amounts (for Nursing Facility Care and Assisted Living Facility Care) listed in Your 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 the first 20 years from the Date of Issue, the amounts will remain level at 200% of the initial Maximum Daily Benefit Amounts shown in the Schedule of Benefits on the Date of Issue of Your Policy.

The increases will occur annually and continue while Your Policy and this Rider are in force. Increases to the Maximum Daily Benefit Amounts will continue while You are receiving benefits on a continuing claim. The increase does not apply to any other amount shown in Your Policy. The premium will not increase due to the automatic increase in benefit amounts.

TERMINATION This Rider will terminate on the earliest of the following dates: 1) the date Your Policy terminates or lapses; or 2) the date this Rider is cancelled.

In the event of any conflict between this Rider and Your Policy, this Rider will prevail. This Rider will not vary, alter, waive, or extend any of the terms, conditions, provisions, or limitations of Your Policy, other than as stated herein.

Signed for Standard Life and Accident Insurance Company by:

Secretary

President

SERFF Tracking Number: ANTX-126828895 State: Arkansas
 Filing Company: Standard Life and Accident Insurance Company State Tracking Number: 46913
 Company Tracking Number:
 TOI: H131 Individual Health - Short Term Care Sub-TOI: H131.002 Nursing Home
 Product Name: RC II
 Project Name/Number: /

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Attachments: AR Imp Information Notice (2).pdf Readability.pdf	Approved-Closed	10/25/2010
Satisfied - Item: Application Comments: Attached under Forms Schedule	Approved-Closed	10/25/2010
Satisfied - Item: Outline of Coverage Comments: Attached under Forms Schedule	Approved-Closed	10/25/2010
Satisfied - Item: Notices Comments: Previously approved statutorily required notices we will use with this product. Attachments: Replacement_Notice.pdf Duplication_Notice.pdf AR Imp Information Notice (2).pdf	Approved-Closed	10/25/2010

**IMPORTANT INFORMATION FOR
ARKANSAS POLICYOWNERS**

If you have questions about your policy or a claim you have filed, please contact your insurance company or your agent:

Standard Life and Accident Insurance Company
C/O Customer Service Department
PO Box 696820
San Antonio, Texas 78269-6820

Telephone: 1-888-350-1488
1-409-763-4661

Agent _____

Address _____

Telephone _____

If you are unable to resolve a problem with your insurance company or your agent, you may contact the Arkansas Department of Insurance:

Arkansas Insurance Department
Consumer Services Division
1200 West Third Street
Little Rock, AR 72201-1804

Telephone: 1-800-852-5494
1-501-371-2640

E-Mail: Insurance@mail.state.ar.us

Web Site: www.state.ar.us/insurance

CCN-AR3

**STANDARD LIFE AND ACCIDENT INSURANCE COMPANY
ONE MOODY PLAZA
GALVESTON, TEXAS**

READABILITY CERTIFICATION

We hereby certify that form(s) SLA-2090 AR, et. al. has (have) achieved a Flesch scale readability score that meets the minimum reading ease score as required by the state of Arkansas.

James P. Stelling
VP Health Compliance

September 23, 2010
Date

**NOTICE TO APPLICANT
REGARDING REPLACEMENT OF ACCIDENT AND SICKNESS INSURANCE**

According to your application, you intend to lapse or otherwise terminate existing accident and sickness insurance and replace it with a policy to be issued by Standard Life and Accident Insurance Company. For your own information and protection, you should be aware of and seriously consider certain factors which may affect the insurance protection available to you under the new policy.

1. Health conditions which you may presently have (pre-existing conditions) may not be immediately or fully covered under the new policy. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under the present policy.
2. You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interest to make sure you understand all the relevant factors involved in replacing your present coverage.
3. If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, be certain to truthfully and completely answer all questions on the application concerning your medical health history. Failure to include all material medical information on an application may provide a basis for the company to deny any future claims and to refund your premium as though your policy had never been in force. After the application has been completed and before you sign it, re-read it carefully to be certain that all information has been properly recorded.

The above "Notice to Applicant" was delivered to me on:

Date

Applicant's Signature

**IMPORTANT NOTICE TO PERSONS ON MEDICARE
THIS INSURANCE DUPLICATES SOME MEDICARE BENEFITS**

THIS IS NOT MEDICARE SUPPLEMENT INSURANCE

Some health care services paid for by Medicare may also trigger the payment of benefits from this policy.

This insurance pays a fixed dollar amount, regardless of your expenses, for each day you meet the policy conditions. It does not pay your Medicare deductibles or coinsurance and is not a substitute for Medicare Supplement insurance.

Medicare generally pays for most or all of these expenses.

Medicare pays extensive benefits for medically necessary services regardless of the reason you need them. These include:

- hospitalization
- physician services
- hospice
- outpatient prescription drugs if you are enrolled in Medicare Part D
- other approved items and services

This policy must pay benefits without regard to other health benefit coverage to which you may be entitled under Medicare or other insurance.

BEFORE YOU BUY THIS INSURANCE

- Check the coverage in all health insurance policies you already have.
- For more information about long-term care insurance, review the *Shopper's Guide to Long-Term Care Insurance*, available from the insurance company.
- For more information about Medicare and Medicare Supplement insurance, review the *Guide to Health Insurance for People with Medicare*, available from the insurance company.
- For help in understanding your health insurance, contact your state insurance department or state senior insurance program.

**IMPORTANT INFORMATION FOR
ARKANSAS POLICYOWNERS**

If you have questions about your policy or a claim you have filed, please contact your insurance company or your agent:

Standard Life and Accident Insurance Company
C/O Customer Service Department
PO Box 696820
San Antonio, Texas 78269-6820

Telephone: 1-888-350-1488
1-409-763-4661

Agent _____

Address _____

Telephone _____

If you are unable to resolve a problem with your insurance company or your agent, you may contact the Arkansas Department of Insurance:

Arkansas Insurance Department
Consumer Services Division
1200 West Third Street
Little Rock, AR 72201-1804

Telephone: 1-800-852-5494
1-501-371-2640

E-Mail: Insurance@mail.state.ar.us

Web Site: www.state.ar.us/insurance

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