

SERFF Tracking Number: MULF-126670266 State: Arkansas  
Filing Company: John Hancock Life & Health Insurance Company State Tracking Number: 45946  
Company Tracking Number:  
TOI: LTC03G Group Long Term Care Sub-TOI: LTC03G.001 Qualified  
Product Name: Inflation Enhancement  
Project Name/Number: /

## Filing at a Glance

Company: John Hancock Life & Health Insurance Company  
Product Name: Inflation Enhancement SERFF Tr Num: MULF-126670266 State: Arkansas  
TOI: LTC03G Group Long Term Care SERFF Status: Closed-Approved State Tr Num: 45946  
Sub-TOI: LTC03G.001 Qualified Co Tr Num: State Status: Closed  
Filing Type: Form/Rate Reviewer(s): Marie Bennett, Harris Shearer  
Authors: Michelle Fluet, Richard Famiglietti, Noah Rice Disposition Date: 08/04/2010  
Date Submitted: 06/11/2010 Disposition Status: Approved  
Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

## General Information

Project Name: Status of Filing in Domicile: Not Filed  
Project Number: Date Approved in Domicile:  
Requested Filing Mode: Review & Approval Domicile Status Comments:  
Explanation for Combination/Other: Market Type: Group  
Submission Type: New Submission Group Market Size: Small  
Overall Rate Impact: Group Market Type: Employer, Association, Discretionary  
Filing Status Changed: 08/04/2010 Explanation for Other Group Market Type:  
Deemer Date: State Status Changed: 08/04/2010  
Submitted By: Richard Famiglietti Created By: Noah Rice  
Filing Description: Corresponding Filing Tracking Number:  
Re: John Hancock Life & Health Insurance Company  
Company NAIC # 93610; FEIN #: 13-3072894  
Group Long-Term Care Insurance Submission  
Policy Form and Actuarial Addendum to be used with  
P-FACE(2009) , et al.

Dear Commissioner:

SERFF Tracking Number: MULF-126670266 State: Arkansas  
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We are filing the following forms for your review:

- D-LTC-INF(2009-1)
- D-TERM(2009-1); and
- GLTC-DIS(2009-1)

The forms describe two new inflation enhancements. They will be used with other forms filed and approved under policy form series, P-FACE(2009), et al. , SERFF filing number: MULF-125634076, on June 2, 2008.

The actuarial addendum that is attached relates to the actuarial memorandum that was filed under SERFF filing number: MULF-126510219, and approved on May 5, 2010. The addendum includes the rate factors for the inflation options that we are filing.

## Company and Contact

### Filing Contact Information

Noah Rice, Sr. Contract Consultant nrice@jhancock.com  
 200 Berkeley Street 617-572-4027 [Phone]  
 Boston, MA 02117

### Filing Company Information

John Hancock Life & Health Insurance Company	CoCode: 93610	State of Domicile: Massachusetts
200 Berkeley Street	Group Code: 904	Company Type: Life & Health
Boston, MA 02117	Group Name:	State ID Number:
(617) 572-6000 ext. [Phone]	FEIN Number: 13-3072894	

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## Filing Fees

Fee Required?	Yes
Fee Amount:	\$375.00
Retaliatory?	Yes
Fee Explanation:	MA requires \$75 per form (3 forms) MA requires \$150 per rate ( 1 rate)
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
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John Hancock Life & Health Insurance \$375.00 06/11/2010 37172903  
Company

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Marie Bennett	08/04/2010	08/04/2010

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## Disposition

Disposition Date: 08/04/2010

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: MULF-126670266 State: Arkansas

Filing Company: John Hancock Life & Health Insurance Company State Tracking Number: 45946

Company Tracking Number:

TOI: LTC03G Group Long Term Care Sub-TOI: LTC03G.001 Qualified

Product Name: Inflation Enhancement

Project Name/Number: /

<b>Schedule</b>	<b>Schedule Item</b>	<b>Schedule Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Flesch Certification		Yes
<b>Supporting Document</b>	Application		Yes
<b>Supporting Document</b>	Health - Actuarial Justification		Yes
<b>Supporting Document</b>	Outline of Coverage		Yes
<b>Supporting Document</b>	Cover Letter		Yes
<b>Supporting Document</b>	Transmittal Form		Yes
<b>Form</b>	Inflation Addition		Yes
<b>Form</b>	Termination of Coverage		Yes
<b>Form</b>	Outline of Coverage		Yes

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## Form Schedule

### Lead Form Number: D-LTC-INF(2009-1)

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	D-LTC-INF(2009-1)	Certificate	Inflation Addition	Initial		50.400	D-LTC-INF(2009-1).pdf
	D-TERM(2009-1)	Certificate	Termination of Coverage	Initial		50.400	D-TERM(2009-1).pdf
	GLTC-DIS(2009-1)	Outline of Coverage	Outline of Coverage	Initial		51.100	GLTC-DIS(2009-1).pdf

## Group Long Term Care Insurance

### Additional Benefits

#### [INFLATION ADJUSTMENT PROVISION - AUTOMATIC BENEFIT INCREASE

[You are covered for the Automatic Benefit Increase if You selected it on Your application for Long-Term Care insurance and the coverage is indicated on Your Schedule.] [In addition, this provision will apply to You if You choose to switch to Automatic Benefit Increase inflation based on an offering under the Future Purchase Option.]

#### ***Annual Increase***

We will automatically increase Your Nursing Home Daily Maximum Benefit on each {anniversary of the Policy Effective Date}. The increase will be computed at the rate of 5% compounded annually and rounded to the nearest penny.

Your other {daily, monthly, and calendar year} maximum benefits, Your Lifetime Maximum Benefit, [and any remaining Stay-At-Home Lifetime Benefit Amount] will increase by the same percentage as the percentage increase to the Nursing Home Daily Maximum Benefit.

#### ***Conditions and Restrictions***

No increases in Your maximum benefits will occur on or after the date Your insurance is continued in effect on a reduced paid-up basis under any Nonforfeiture Benefit.

If Your insurance becomes effective on {an anniversary of the Policy Effective Date}, no increase in Your maximum benefits will occur on the date Your insurance becomes effective.]

If You are on claim and Your Lifetime Maximum Benefit has been depleted to an amount equal or less than 90 multiplied by Your Nursing Home Daily Maximum Benefit, We reserve the right to pay out the remainder of Your Lifetime Maximum Benefit in one lump sum payment. Once such payment has been made, insurance coverage under this Certificate will end and no further benefits will be payable.

**Important Notice Regarding Federal Income Tax Law** – If a lump sum payment of the remaining Lifetime Maximum Benefit is paid, the payment may be subject to certain aggregation rules under the Internal Revenue Code Section 7702B for purposes of Federal Income Tax calculation. This means that the lump sum payment that may be paid out under Your certificate will be aggregated with other benefits paid for You under Your Certificate. The lump sum payment under Your certificate may be subject to "per diem limitation" rules under the Internal Revenue Code Section 7702B for purposes of Federal Income Tax calculation. In the event that total payments exceed the "Per Diem Limitation" for that period, any benefits paid in excess of such limitation are includable in gross income. You are advised to review this benefit with a qualified tax professional or attorney to determine any such tax impact.

## **Group Long Term Care Insurance**

### **Additional Benefits**

#### **[INFLATION ADJUSTMENT PROVISION - AUTOMATIC CONSUMER PRICE INDEX (ACPI) BENEFIT INCREASE**

**[You are covered for the Automatic Consumer Price Index (ACPI) Benefit Increase if You selected it on Your application for Long-Term Care insurance and the coverage is indicated on Your Schedule.] [In addition, this provision will apply to You if You choose to switch to the ACPI Benefit Increase inflation based on an offering under the Future Purchase Option.]**

#### ***Annual Increase***

We will automatically increase Your Nursing Home Daily Maximum Benefit on each {anniversary of the Policy Effective Date}. Your Nursing Home Daily Maximum Benefit will be increased by the percentage change in the CPI for the month three months prior to the {anniversary of the Policy Effective Date} as compared to the same month's CPI one year prior. In the event the CPI decreases, We will not reduce Your Nursing Home Daily Maximum Benefit by such CPI decrease on the {anniversary of the Policy Effective Date}. However, We will offset any such CPI decreases when calculating future CPI increases to Your Nursing Home Daily Maximum Benefit.

Your other {daily, monthly, and calendar year} maximum benefits, Your Lifetime Maximum Benefit, [and any remaining Stay-At-Home Lifetime Benefit Amount] will increase by the same percentage as the percentage increase to the Nursing Home Daily Maximum Benefit.

CPI means the non-seasonally adjusted Consumer Price Index, Urban, All Items, published by the Bureau of Labor Statistics of the United States Department of Labor (CPI). If the CPI is discontinued, if there is a delay in the announcement of the CPI, or if its method of computation is changed, We may use another nationally published index. Such index will be filed with the Insurance Department where the Policy is issued prior to its use. "CPI" will then mean that chosen index.

#### ***Conditions and Restrictions***

No increases in Your maximum benefits will occur on or after the date Your insurance is continued in effect on a reduced paid-up basis under any Nonforfeiture Benefit.

If Your insurance becomes effective on {an anniversary of the Policy Effective Date}, no increase in Your maximum benefits will occur on the date Your insurance becomes effective.]

If You are on claim and Your Lifetime Maximum Benefit has been depleted to an amount equal or less than 90 multiplied by Your Nursing Home Daily Maximum Benefit, We reserve the right to pay out the remainder of Your Lifetime Maximum Benefit in one lump sum payment. Once such payment has been made, insurance coverage under this Certificate will end and no further benefits will be payable.

## Group Long Term Care Insurance

### Additional Benefits

**Important Notice Regarding Federal Income Tax Law** – If a lump sum payment of the remaining Lifetime Maximum Benefit is paid, the payment may be subject to certain aggregation rules under the Internal Revenue Code Section 7702B for purposes of Federal Income Tax calculation. This means that the lump sum payment that may be paid out under Your certificate will be aggregated with other benefits paid for You under Your Certificate. The lump sum payment under Your certificate may be subject to "per diem limitation" rules under the Internal Revenue Code Section 7702B for purposes of Federal Income Tax calculation. In the event that total payments exceed the "Per Diem Limitation" for that period, any benefits paid in excess of such limitation are includable in gross income. You are advised to review this benefit with a qualified tax professional or attorney to determine any such tax impact.

#### ***Guaranteed Increase Option***

***[Important Notice – The Guaranteed Increase Option is not applicable to You if You are paying Your premium via the Ten-Year or Accelerated Payment Option.]***

Effective as of the third anniversary of the Policy Effective Date and every third anniversary thereafter (the "Option Dates"), We will offer You the option to increase Your benefits by purchasing an additional amount of coverage equal to 10% of Your Nursing Home Daily Maximum Benefit that was in effect immediately prior to that Option Date. This increase is in addition to the annual automatic CPI increase described above. No additional underwriting will be required.

## Group Long Term Care Insurance Additional Benefits

At the time of each offer, We will provide You with information regarding: Your current Nursing Home Daily Maximum Benefit; any increased benefit amount attributable to the CPI increase due to take effect on that Option Date); the amount of increase available to You under this Guaranteed Increase Option; the additional premium amount for the increase under this Guaranteed Increase Option; and instructions on how You may elect this increase. We must receive Your written election within 31-days after the applicable Option Date or Your right to elect that increase will expire.

If You elect an increase under the Guaranteed Increase Option, the amount of the annual automatic CPI increase on that Option Date will be based on Your Nursing Home Daily Maximum Benefit in effect prior to this additional purchase.

If You do not elect an increase when offered, that increase will not be available on any future Option Date. You will, however, still have the opportunity to accept future offers.

The premium for any increase under the Guaranteed Increase Option (including any corresponding premium for any benefits that You have elected and are part of Your coverage) will be based on Your age on the Option Date and the premium rates then in effect.

When the Nursing Home Daily Maximum Benefit is increased under the Guaranteed Increase Option:

- Your other {daily, monthly, and calendar year} maximum benefits, [and any remaining Stay-At-Home Lifetime Benefit Amount] will increase by the same percentage as the percentage increase to the Nursing Home Daily Maximum Benefit.
- Your remaining Lifetime Maximum Benefit will be increased by the amount determined by multiplying the increase in the Nursing Home Daily Maximum Benefit by the Maximum Benefit Factor shown in Your Schedule.

The increase on any Option Date will not be available to You (and, if requested, will not take effect) if:

- any benefits have been payable under Your coverage during the two year period prior to the Option Date; or
- the Option Date occurs on or after Your {85<sup>th</sup>} birthday.

No Guaranteed Increase Option offer or adjustment will be made while Your insurance is continued under any Nonforfeiture Benefit.

## Group Long Term Care Insurance

### Additional Benefits

#### [INFLATION ADJUSTMENT PROVISION – FUTURE PURCHASE OPTION

[You are covered for the Future Purchase Option inflation benefit if You declined the Automatic Benefit Increase inflation benefit and did not select the Automatic Consumer Price Index (ACPI) Benefit Increase on Your application for Long-Term Care insurance.]

**[IMPORTANT NOTICE: This provision does not apply if You are paying Your premium via the Ten-Year or Accelerated Payment Option.]**

#### ***Option Dates***

{Effective as of the third anniversary of the Policy Effective Date and every third anniversary thereafter (the “Option Dates”),} We will offer You the option to increase Your Benefits by purchasing additional coverage. The amount offered will be no less than 5% of Your Nursing Home Daily Maximum Benefit compounded annually since the last Option Date, rounded to the nearest \$5.

#### **If an increase in Your Nursing Home Daily Maximum Benefit becomes effective:**

- Your other {daily, monthly, and calendar year} maximum benefits, [and any remaining Stay-At-Home Lifetime Benefit Amount] will increase by the same percentage as the percentage increase to the Nursing Home Daily Maximum Benefit.
- Your remaining Lifetime Maximum Benefit will be increased by the amount determined by multiplying the increase in the Nursing Home Daily Maximum Benefit by the Maximum Benefit Factor shown in Your Schedule.

No additional underwriting will be required. Each increase in Your Maximum Benefits is referred to as an **Inflation Addition**.

#### ***Effect on Premium***

If You elect to increase Your benefit amounts under this provision, Your total premium contributions will increase accordingly. However, electing an increase will not raise the cost of Your Initial Coverage. Your Initial Coverage is shown in Your Schedule.

**The premium for any increase will be based on Your Age and the applicable table of premium rates in effect on that Option Date.**

#### ***Conditions and Restrictions***

You must notify Us of acceptance within {thirty-one (31) }days of the offer notification.

If You do not elect an increase within {thirty-one (31) days of the offer notification,} that increase will no longer be available and will not be available on any future Option Date. You will, however, still have the opportunity to accept future offers for which You are eligible. After You decline the offer of an optional increase on any Option Date, no offers will be available to You on or after the date You meet the Benefit Trigger. If You no longer meet the Benefit Trigger and provide Evidence of Insurability satisfactory to Us, such offers will resume.

No Inflation Addition will be available to You if Your coverage is being continued in effect on a reduced paid-up basis under a Nonforfeiture Benefit. ]

**Group Long Term Care Insurance**  
**Additional Benefits**

**[One-Time Offer to Switch to Automatic Benefit Increase Inflation Adjustment Provision or Automatic CPI Benefit Increase Inflation Adjustment Provision**

We will make You a one-time offer to switch Your Inflation Adjustment Provision from Future Purchase Option to [Automatic Benefit Increase or Automatic Consumer Price Index (ACPI) Benefit Increase]. The offer will be made on the first Future Purchase Option Date that falls on or after Your 60<sup>th</sup> birthday. The offer to switch will be made with the Future Purchase Option offer available to You. We will provide You notice of the new increased premium associated with the change.

The offer to switch Your Future Purchase Option to [Automatic Benefit Increase or ACPI Benefit Increase] will not be available to You (and, if requested, will not take effect) if, on the Option Date:

- You would not be eligible for a Future Purchase Option; or
- You need Substantial Assistance to perform at least two of the Activities of Daily Living or require Substantial Supervision to protect Yourself from threats to health and safety due to the presence of a Severe Cognitive Impairment.

The first [Automatic Benefit Increase or ACPI Benefit Increase] will occur on the {anniversary of the Policy Effective Date} one year after Your acceptance, if applicable. To accept one or both offers, You must act upon both the Future Purchase Option inflation increase and the offer to switch to [Automatic Benefit Increase or ACPI Benefit Increase] within {thirty-one (31)} days of the notification.

If You elect to switch to [Automatic Benefit Increase or ACPI Benefit Increase], You will receive no further Future Purchase Option offers. ]

## Termination of Coverage

### Policy Amendment, Renewal and Termination

Amendment, renewal and termination of the Policy are matters to be determined by John Hancock and the Policyholder in accordance with the terms of the Policy. As a result, no such matter requires Your consent or the consent of any other person who has a beneficial interest under the Policy in order for it to take effect.

Only the following persons have power on behalf of John Hancock to terminate or change the Policy or waive any of its provisions: the President, a Vice President, the Secretary or an Assistant Secretary of John Hancock. No agent has authority to change the Policy or waive any of its provisions.

You will be notified in the event the Policy terminates. In this event, You may continue Your coverage, with equivalent benefits, under a replacement policy or as provided in the **Continuation Coverage** provision. You will be notified if any amendment of the Policy materially affects Your coverage under the Policy. The notice will be provided to You as soon as is reasonably possible.

### Extension of Benefits

If You are confined in a Nursing Home, Hospice facility or an Alternate Care Facility on the date Your insurance ends, We will consider charges You incur after that date as though they were incurred while You were insured, provided that:

- You have not exhausted Your Lifetime Maximum Benefit; and
- You remain continuously confined in the Nursing Home, Hospice facility, or Alternate Care Facility from the date Your insurance ends until the date the charge is incurred; and
- on the date Your insurance ends, You meet the requirements of the **Eligibility for Payment of Benefits** provision.

Benefits payable under this **Extension of Benefits** provision are subject to all the provisions of Your Certificate, including but not limited to the Lifetime Maximum Benefit.

No benefit will be payable under Your Certificate for any charge incurred after Your insurance ends, except as provided in this **Extension of Benefits** provision.

### Added Protection Against Lapse.

If Your insurance ends because You fail to submit Your premium contribution on or before the date it is due, You will be reinstated if You meet both of the following requirements within five (5) months after the date Your insurance ends:

- You submit all past due premium contributions to Us; and
- You furnish Us with written proof that on the date Your insurance ended, You had met the Benefit Trigger.

We will reinstate Your insurance back to the date it ended so that there is no loss of coverage.

## Termination of Coverage

### Other Reinstatement of Coverage

You may be reinstated if Your insurance ends because You fail to submit Your premium contributions, and within six (6) months You:

- request reinstatement;
- provide Evidence of Insurability satisfactory to Us at Your own expense; and
- pay all Your back premiums.

If the application is approved and payment received, Your coverage will be reinstated as of the day after coverage lapsed. A new Incontestability period will begin on that date for statements and omissions on the application for reinstatement.

### When Your Coverage Under the Policy Ends

Your insurance under the Policy ends on the earliest of the dates shown below.

- The end of the period covered by Your last premium contribution for Your insurance. This will not apply if:
  - Your premium contributions are waived under the **Waiver of Premium** provision; or
  - Your insurance is being continued in effect on a reduced paid-up basis under any Nonforfeiture Benefit under Your Certificate[or paid up basis under the Ten-Year Payment Option or Accelerated Payment Option].
- The end of the period for which premium contributions are waived under the **Waiver of Premium** provision, unless You resume payment of premium contributions on a timely basis.
- The date on which Your Lifetime Maximum Benefit has been exhausted.
- The end of the month during which We receive Your request for termination.

If the Policy terminates or You are no longer eligible, You may continue Your coverage under a replacement policy or as provided under the Continuation Coverage provision.

No benefit will be payable under Your Certificate for any charge incurred after Your insurance ends, except as provided in the **Extension of Benefits** provision.

### Continuation Coverage

If Your coverage under the Policy ends, You may continue Your same coverage by paying Your premium directly to Us, except as stated below. We will automatically provide Continuation Coverage unless You or Your representative notify Us that You do not want it.

The rate schedule for continued coverage may change in the future. Any such changes will be made on a class basis. This means We cannot increase Your premium because of any change in Your age or health.

### Exceptions to Continuation of Coverage

Continuation is not available under the following circumstances.

- (a) Your coverage under the Policy ends because You failed to make any required premium contribution when due.

## Termination of Coverage

- (b) Your Lifetime Maximum Benefit under the Policy has been exhausted.
- (c) [Your coverage terminates because the Policy or coverage for a group of employees terminates; and Your coverage is replaced within {thirty-one (31)} days after termination by other group coverage that:
- is effective on the day following termination of coverage; and
  - provides benefits that are substantially equivalent to or greater than those provided under the Policy; and
  - provides immediate coverage to all persons insured under the Policy on the date the Policy ends; and
  - calculates premium based on the basis of Your Age on Your Effective Date of Coverage under the Policy.]
- (d) [If employees' employment with the Employer terminates along with a group of employees as a result of corporate restructuring, acquisition, spin-off or similar circumstances, and You are one of the employees terminated or a Qualifying Dependent of such an employee, and
- (1) coverage is replaced within {thirty-one (31)} days after termination by other group coverage that:
- is effective on the day following Your termination of coverage; and
  - provides benefits that are substantially equivalent to or greater than those provided under the Policy; and
  - calculates premium based on the basis of Your Age on Your Effective Date of Coverage under the Policy; and
  - does not apply any underwriting requirements, or impose any additional incontestability period, or impose any limitations on coverage for pre-existing conditions; and
- (2) You elect the replacement coverage.]
- (e) [We and the succeeding carrier agree to allow Insureds choice between the continuation privilege and replacement coverage with the succeeding carrier, and
- (1) the Policy terminates and coverage is replaced within {thirty-one (31)} days after termination by other group coverage that:
- is effective on the day following termination of coverage; and
  - provides benefits that are substantially equivalent to or greater than those provided under the Policy; and
  - calculates premium based on the basis of Your Age on Your Effective Date of Coverage under the Policy; and
  - does not apply any underwriting requirements, or impose any additional incontestability period, or impose any limitations on coverage for pre-existing conditions; and
- (2) You elect the replacement coverage.]

## Termination of Coverage

- (f) [Your coverage terminates because the Policy or coverage for a group of employees terminates; and
- (1) Your coverage is replaced within {thirty-one (31)} days after termination by other group coverage that:
- Is effective on the day after the date the terminated policy expires;
  - provides immediate coverage without any underwriting requirements to all persons who are insured under the terminated policy on its termination date and who elect to transfer their coverage; and
  - does not include restrictions such as a limitation on coverage of pre-existing conditions or an additional incontestable period beyond those that would have applied if the transfer of coverage had not taken place; and
- (2) You elect the replacement coverage.]



**JOHN HANCOCK LIFE & HEALTH INSURANCE COMPANY**

Group Long-Term Care

PO Box 111, Boston, MA 02117

Tel. No. {1-800-XXX-XXXX} (from within the United States)

{TTY 1-800-255-1808 for hearing impaired}

{1-617-572-0048 (from outside the United States)}

**{ABC CORPORATION}  
[LONG-TERM CARE INSURANCE]**

**[NURSING HOME/ALTERNATE CARE FACILITY ONLY INSURANCE]  
OUTLINE OF COVERAGE**

Policy No.: {12345}

Certificate Form No.: C-FACE(2009)

**Caution:** If You were required to answer health questions, the issuance of this insurance coverage is based upon Your responses to the questions on Your application. A copy of Your application will be provided to You. If Your answers are incorrect or untrue, We may have the right to deny benefits or rescind Your insurance. The best time to clear up any questions is now, before a claim arises. If, for any reason, any of Your answers is incorrect, contact Us at Our service office address shown below. Throughout this outline of coverage “We” and “Us” mean the

John Hancock Life & Health Insurance Company  
{Group Long-Term Care B-6  
P.O. Box 111  
Boston, MA 02117}

**NOTICE TO BUYER:** This insurance may not cover all of the costs associated with long-term care incurred by You during the period of coverage. You are advised to review carefully all limitations.

1. The policy is a group policy of insurance that is issued in {the Commonwealth of Massachusetts}.

**2. PURPOSE OF OUTLINE OF COVERAGE**

This outline of coverage provides a very brief description of the important features of the policy. This is not an insurance contract, but only a summary of coverage. Only the group policy contains governing contractual provisions. This means that the group policy sets forth in detail the rights and obligations of both You and the insurance company. Therefore, it is very important that You **READ YOUR CERTIFICATE CAREFULLY!**

**3. FEDERAL TAX CONSEQUENCES**

This insurance is intended to be tax qualified long-term care insurance under Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

**4. TERMS UNDER WHICH THE INSURANCE MAY BE CONTINUED IN FORCE OR DISCONTINUED**

(a) **RENEWABILITY: THE COVERAGE IS GUARANTEED RENEWABLE.** This means You have the right, subject to the terms of the policy, to continue Your coverage as long as You pay Your premiums on time. We cannot change any of the terms of Your coverage on our own unless required by law, except that, in the future, **WE MAY INCREASE THE PREMIUM YOU PAY.**

- (b) **CONTINUATION.** You may keep this insurance in force by paying the required premium when due as long as the group policy continues in force, You remain in an eligible class, and You have not exhausted Your Lifetime Maximum Benefit. If Your coverage under the policy ends, You may be entitled to continue Your coverage. Exhaustion of Lifetime Maximum Benefit, failure to pay premium and immediate group insurance replacement may alter continuation rights.
- (c) **WAIVER OF PREMIUM.** We will waive premium payments while You meet the Benefit Trigger beginning on the first day of the month after You have completed the Qualification Period. To keep Your coverage in effect after You no longer meet the Benefit Trigger, You must resume premium payments on a timely basis.

**5. TERMS UNDER WHICH WE MAY CHANGE PREMIUMS**

**We may change the premium rates when the terms of the policy are changed. We cannot change Your premium because of age or health. We can change Your premium based on the experience of Your premium class, but only if We change the premiums for all other Insureds in the same premium class.**

**6. CIRCUMSTANCES UNDER WHICH THE CERTIFICATE MAY BE RETURNED AND PREMIUM REFUNDED**

- (a) If You are not satisfied with the coverage provided, You may return Your Certificate within 30 days of the date it was delivered to You. Mail or deliver the Certificate to us. We will then refund any premium paid.
- (b) After the initial 30-day period, if You die or decide to cancel coverage, we will return the pro rata portion of unearned, collected premium.

**7. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE**

If You are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from John Hancock. Neither John Hancock Life & Health Insurance Company nor its agents represent Medicare, the Federal government or any state government.

**8. LONG-TERM CARE INSURANCE**

Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a nursing home, in the community or in the home.

A Qualification Period must be satisfied before most benefits are payable. The benefits described in the next item may be affected by the **LIMITATIONS AND EXCLUSIONS** item that follows it.

**9. BENEFITS PROVIDED THROUGH THE POLICY**

- (a) Subject to policy requirements and limitations, the policy provides reimbursement for actual charges incurred by You up to the applicable maximum benefit for:

- ◆ Nursing Home room and board and care services;
- ◆ Alternate Care Facility room and board and care services;
- ◆ Hospice Care;
- ◆ [Home Health Agency services of its personnel;
- ◆ Adult Day Care Center attendance;] [and
- ◆ Informal Care].

[ [Except for amounts payable under [the Stay-At-Home Benefit,] [the Alternate Plan of Care,] [and the Monthly Cash Benefit,] ] the most We will pay for all services received in any calendar month will not exceed the greater of the Nursing Home Daily Maximum Benefit multiplied by the number of days in the calendar month or the Home and Community Professional Care/Home and Community Based Care Month Maximum Benefit. ]

[ [Except for amounts payable under [the Stay-At-Home Benefit,] [the Alternate Plan of Care,] [and the Monthly Cash Benefit,] ] the most We will pay for all services received on any day will not exceed the Nursing Home Daily Maximum Benefit. ]

Qualification Period means the number of days for which we will not pay benefits while You meet the Benefit Trigger. That means either:

- ◆ You need Substantial Assistance from another individual to perform at least two of the Activities of Daily Living; or
- ◆ You need Substantial Supervision due to the presence of a Severe Cognitive Impairment.

The days used to satisfy Your Qualification Period do not need to be consecutive. The Qualification Period needs to be met only once while Your coverage remains continuously in force. We will count toward the total number required only those days on which You actually do meet the Benefit Trigger while insured under the policy.

[Stay-at-Home Benefits are available while You meet the Benefit Trigger, including while You are in the Qualification Period.] If You are diagnosed as Terminally Ill while insured under the policy, and We determine that Your Qualification Period has begun, We will pay benefits for Hospice Care as if You had fully completed Your Qualification Period as long as You meet the Benefit Trigger. Otherwise, We will not pay for charges during the Qualification Period.

The number of days in Your Qualification Period is shown in Your enrollment material.

(b) Institutional Benefits:

- ◆ **Nursing Home Benefit.** We will pay the Nursing Home Benefit if You are confined in a Nursing Home or Hospice facility and receiving Nursing Care, Custodial Care, Hospice Care, or Respite Care. We will pay the actual charges incurred for confinement up to the Nursing Home Daily Maximum Benefit.
- ◆ **Alternate Care Facility Benefit.** We will pay the Alternate Care Facility Benefit if You are confined in an Alternate Care Facility and receiving Custodial Care. We will pay the actual daily charges incurred for confinement in the Alternate Care Facility up to the Alternate Care Facility Daily Maximum Benefit.

- ◆ **Bed Hold Benefit.** If You have been confined in a Nursing Home or an Alternate Care Facility and Your stay is interrupted for any reason while a benefit is payable under the policy, we will pay actual charges to hold Your bed for a total of [60 days] per calendar year. We pay no more than the amount that would have been payable for charges incurred daily had You remained confined in the reserving facility.

(c) [Non-institutional Benefits:

- ◆ **Stay-At-Home Benefit.** We will pay up to the Stay-At-Home Lifetime Benefit Amount for Care Planning Visits, Home Modifications, Respite Care during the Qualification Period, and/or certain services or expenses not otherwise covered. Except for Care Planning Visits and Respite Care during the Qualification Period, You must be living in Your home to be eligible, and we must have determined that Your Qualification Period has begun. The Stay-at-Home Benefit is an amount equal to 30 times Your Nursing Home Daily Maximum Benefit. It does not reduce Your Lifetime Maximum Benefit.
- ◆ **[Home and Community Professional Care Benefit.** We will pay up to the Home and Community Professional Care Benefit if You are receiving Home Health Care, Hospice Care or Respite Care in Your home, a rest home or Adult Day Care in an Adult Day Care Center. We will pay the actual {daily or monthly} charges incurred up to the Home and Community Professional Care {Daily or Monthly} Benefit.] [If You are eligible for payment of benefits under the Policy before You reach age 65, Home and Community Professional Care will be paid up to [{30 times}] Your Nursing Home Daily Maximum Benefit for charges incurred [on any day] [during any calendar month] for the duration of that claim.
- ◆ **Informal Care.** We will pay the Informal Care Benefit if You are eligible for payment of benefits and receiving Custodial Care or Homemaker Services in Your Home. A Calendar Year Maximum applies and is shown in Your enrollment material.]
- ◆ **[Home and Community Based Care Benefit.** We will pay up to the Home and Community Based Care Maximum Benefit if You are receiving Home Health Care, Hospice Care or Respite Care in Your home, a rest home or Adult Day Care in an Adult Day Care Center. With this benefit, supplemental Home Health Care is available while You are in a Nursing Home or Alternate Care Facility as well. We will pay the actual {daily or monthly} charges incurred up to the Home and Community Based Care {Daily or Monthly} Maximum Benefit.] [If You are eligible for payment of benefits under the Policy before You reach age 65, Home and Community Based Care will be paid up to [{30 times}] Your Nursing Home Daily Maximum Benefit for charges incurred [on any day] [during any calendar month] for the duration of that claim. ] ]

(d) **Eligibility for Payment of Benefits.** You may be eligible for benefits under the policy if You meet the Benefit Trigger and satisfy the conditions below. You meet the Benefit Trigger if we verify that:

- ◆ You need Substantial Assistance from another individual to perform at least two of the Activities of Daily Living; or
- ◆ You require Substantial Supervision due to the presence of a Severe Cognitive Impairment in order to protect Yourself from threats to health and safety.

Activities of Daily Living mean the following activities: bathing, continence, dressing, eating, toileting, and transferring.

Severe Cognitive Impairment means a loss or deterioration in intellectual capacity that is comparable to and includes Alzheimer's disease and similar forms of irreversible dementia. The need for Substantial Supervision due to the presence of Severe Cognitive Impairment must be established by clinical evidence and standardized tests that reliably measure impairment in the person's short-term or long-term memory; orientation as to person, place, or time; deductive or abstract reasoning; or judgment as it relates to safety awareness.

(e) **Conditions.** To receive benefits under the policy, all the following must be satisfied.

- ◆ You must satisfy Your Qualification Period while Your coverage is in effect. Limited exceptions were described in 9(a) above.
- ◆ You must receive services covered under the policy and, if the coverage is optional, it must have been selected by You on Your application and approved by Us. Furthermore, services must be specified in Your Plan of Care.
- ◆ You must submit to us satisfactory written Proof of Loss.

Because the policy is intended to be tax-qualified under Federal law, You must ALSO provide us with one of the following written certifications:

- ◆ a Licensed Health Care Practitioner must certify that, due to the loss of functional capacity, You need Substantial Assistance from another person to perform at least two Activities of Daily Living for a period expected to last 90 days.
- ◆ a Licensed Health Care Practitioner must certify that, due to the presence of a Severe Cognitive Impairment, You require Substantial Supervision to protect Yourself from threats to health and safety.

This written certification must be renewed and submitted to us every 12 months.

(f) **[Optional Benefits.** You may elect any of the optional benefits listed below, if eligible. You must pay any additional premium that applies to the optional benefits elected.

- ◆ **[Shared Care.** The Shared Care option allows Your Secondary Insured to access benefits under Your coverage if that person first exhausts the available benefits payable under his or her coverage. You and Your Secondary Insured may both receive benefits under Your Certificate at the same time. Your Secondary Insured has access only to Your Lifetime Maximum Benefit less the dollar amount determined by multiplying 730 times Your Nursing Home Daily Maximum Benefit. The remaining amount is available for Your exclusive use while Your coverage is in force. To benefit from this option, both You and Your Secondary Insured must select the Shared Care Benefit and each must name the other as Secondary Insured. You must both provide us with Evidence of Insurability satisfactory to us. Only Your [Spouse or Domestic Partner] may be named as Secondary Insured. Benefits selected must be identical. ]
- ◆ **[Nonforfeiture Benefit.** After being in force at least {three years or one year if You pay Your premium via the Ten-Year or Accelerated Payment Option}, if Your coverage lapses because You have not paid the premium within the Grace Period, the full Maximum Daily Benefits will remain in effect with a reduced lifetime maximum equal to the sum of the premiums You have paid, but not less than 30 times the Nursing Home Daily Maximum Benefit. [In the event that You do not elect this benefit, Your coverage will include the Contingent Nonforfeiture Benefit provision. Contingent Nonforfeiture applies only to lapses within 120 days of a substantial premium increase. ]

- ◆ **[Ten-Year Payment Option.** If You elect this payment option, Your coverage is paid up on the tenth anniversary of the effective date of Your coverage. Any period for which the premium has been waived will count toward the ten years. [The Ten Year Payment Option is not available with the Future Purchase Option. ] ]
- ◆ **[Accelerated Payment Option.** If You elect this payment option, Your coverage is paid up on the later of the tenth anniversary of the effective date of Your coverage or the first anniversary of the effective date of Your coverage after Your 65<sup>th</sup> birthday. [The Accelerated Payment Option is not available with the Future Purchase Option.] ]

## 10. LIMITATIONS AND EXCLUSIONS

### (a) Limitations on Benefits

- ◆ No care, service or expense will be covered unless it is included in Your Plan of Care. The Plan of Care may be amended from time to time.
- ◆ All benefits, [except the Stay-at-Home Benefit,] are subject to the Lifetime Maximum Benefit for the option selected and shown on the enrollment material. [If an Unlimited Lifetime Benefit is selected, Evidence of Insurability is required for all applicants.]
- ◆ To receive reimbursement under the Nursing Home Benefit, care must be provided in a facility or a distinctly separate part of a facility, that meets one of the following standards:
  - it is licensed in the jurisdiction in which it operates to provide Nursing Care (skilled or intermediate); or
  - it is approved by Medicare as a skilled nursing facility; or
  - it meets Federal certification requirements as a Hospice facility or is licensed, certified or registered under the law of its jurisdiction to provide Hospice Care.

Care and services delivered in the Nursing Home but not part of the facility's bill are not eligible for reimbursement unless the outside provider is part of Your Hospice Care program.

- ◆ To receive reimbursement under the Alternate Care Facility Benefit, care must be provided in a facility or a distinctly separate part of a facility that is engaged primarily in providing 24-hour Custodial Care and that:
  - a. is licensed by the appropriate licensing agency, if any, to provide primarily Custodial Care; or,
  - b. if licensing is not required in the jurisdiction, it is engaged primarily in providing 24-hour Custodial Care to at least 5 unrelated inpatients; and
    - provides 3 full meals daily, accommodating patients' special dietary needs; and
    - has an awake employee, who is trained to provide Custodial Care, on duty at all times.
    - provides care as a part of a Plan of Care; and
    - has appropriate methods and procedures for medication management; and
    - has contractual arrangements for obtaining appropriate aid in the event of a medical emergency.

This benefit does not apply unless You are resident in the facility.

- ◆ [Home and Community Professional Services are not provided in residential facilities like Nursing Homes or Alternate Care Facilities. They must be provided by someone who is not a member of Your Immediate Family (except as described under **Exclusions** below).]

- ◆ [Informal Care Benefits are subject to the following limits:
  - Benefits payable for charges incurred on any day will not exceed the lesser of: the Maximum Daily Benefit for Informal Care shown in the enrollment material for the option selected; and the charges incurred on that day.
  - No benefits will be payable for charges for Informal Care incurred during a calendar year after benefits totaling the Calendar Year Maximum for Informal Care have become payable for those charges incurred during one year. The Calendar Year Maximum is shown in the enrollment material for the option selected.
  - No benefit is payable under this coverage for any charge to the extent that a benefit is payable for that charge under the Home and Community Professional Care Benefit.

Informal Care must be provided in Your Home. The person providing the care must be 18 years or older; or employed through a Home Health Agency; or certified to provide such care in the jurisdiction where the care is provided.]

- ◆ [Home and Community-Based Services must be provided by {someone who is not a member of Your Immediate Family (except as described under **Exclusions** below) and who does not ordinarily reside in Your Home}.]
- ◆ The policy contains a Coordination of Benefits provision that may reduce or eliminate the benefits otherwise payable under the policy with respect to benefits payable under another Plan.

**(b) Exclusions**

- ◆ Conditions resulting from the following are not eligible for coverage.
  - a. Your intentionally self-inflicted injury.
  - b. War, whether declared or not, or any act of war; or service in any armed forces or auxiliary units.
  - c. Your commission or attempt to commit a felony; Your engaging in an illegal occupation; or Your participating in an insurrection or riot.
- ◆ The policy does not cover:
  - a. care, services or treatment specifically provided for detoxification or rehabilitation for alcohol or drug addiction; or
  - b. charges normally not made in the absence of insurance; or
  - c. [except under the Informal Care Benefit,] care, treatment or charges provided by a member of Your Immediate Family, [unless
    - the family member is one of the following professionals -- a duly licensed registered nurse, licensed vocational nurse, licensed practical nurse, physical therapist, occupational therapist, speech therapist, respiratory therapist, licensed social worker, or registered dietitian; and
    - the family member is a regular employee of a Nursing Home, Alternate Care Facility, Adult Day Center or Home Health Care Agency that is providing the services; and
    - the organization receives the payment for the services; and
    - the family member receives no compensation other than the normal compensation for employees in his or her job category. ]
  - d. care, services, or supplies furnished by or covered as a benefit under a program of any government or its subdivisions or agencies, except as required by law and except:

- a program established by the Federal government for its civilian employees;
  - Medicare; and
  - Medicaid (This means any state medical assistance program under Title XIX of the Social Security Act as amended from time to time).
- e. any service or supply to the extent that charges for it are reimbursable under Medicare, or would be so reimbursable but for the application of a deductible or coinsurance or co-payment amount under Medicare. This exclusion will not apply in those instances where Medicare is determined to be secondary payor under applicable law.

No benefit is payable under the Policy for care received outside the United States, except as described in International Coverage.

### **[Pre-Existing Condition Exclusion**

**Pre-Existing Condition** means any condition (illness, disease, injury or symptom) that, during the six (6) months just before becoming insured under the Policy, causes You to:

- consult a Licensed Health Care Practitioner;
- seek diagnosis or medical advice or receive medical care or treatment;
- undergo hospital admission or a Licensed Health Care Practitioner's visit for testing or for diagnostic study; or
- obtain services, supplies, prescription drugs or medicines.

If, during the six (6) months after the Effective Date of Your coverage,

- You need Substantial Assistance to perform at least two of the Activities of Daily Living; or
- You need Substantial Supervision to protect Yourself from threats to health and safety due to the presence of a Severe Cognitive Impairment,

that is caused or contributed to by a Pre-Existing Condition, We will not reimburse expenses for care, services or treatment while such Substantial Assistance or Substantial Supervision continues or, if You recover, later becomes needed due to the same Pre-Existing Condition.

[If You were required to apply for coverage by completing a Long-Term Care Insurance Application {with medical history questions,} the Pre-Existing Condition provision will not apply to You.]]

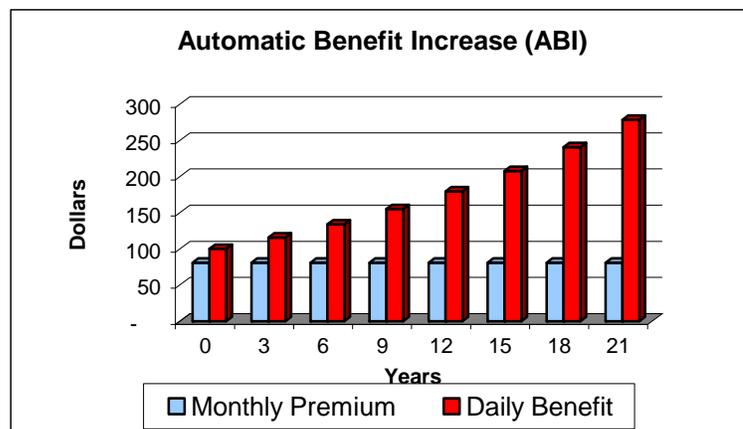
**THE POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.**

## 11. RELATIONSHIP OF COST OF CARE AND BENEFITS.

Because the costs of long-term care services will likely increase over time, You should consider whether and how the benefits of this plan may be adjusted.

[The policy contains [an ]**Automatic Benefit Increase (ABI)** {Option which You may elect at the time You enroll}. [In addition, this provision will apply to You if You choose to switch to Automatic Benefit Increase inflation based on an offering under the Future Purchase Option.] [If selected, ]Your Nursing Home Daily Maximum Benefit and [remaining] Lifetime Maximum Benefit will increase annually by an amount equal to 5% of the Nursing Home Daily Maximum Benefit in effect during the prior policy year. The annual increase is automatic and will occur on each {anniversary of the Policy Effective Date.} However, no increase will occur if coverage is being continued under a Nonforfeiture Benefit. The premium for Automatic Benefit Increase is included in the policy premium[ if You elect Automatic Benefit Increase]. Your premium will not change, except as described in the policy.

The graph to the side shows the change in the Nursing Home Daily Maximum Benefit and the monthly premium under the Automatic Benefit Increase. The graph illustrates a Certificate that has been issued to a person who is age 50, has chosen a Nursing Home Daily Maximum Benefit of \$100/day and a 5-year Benefit Period.

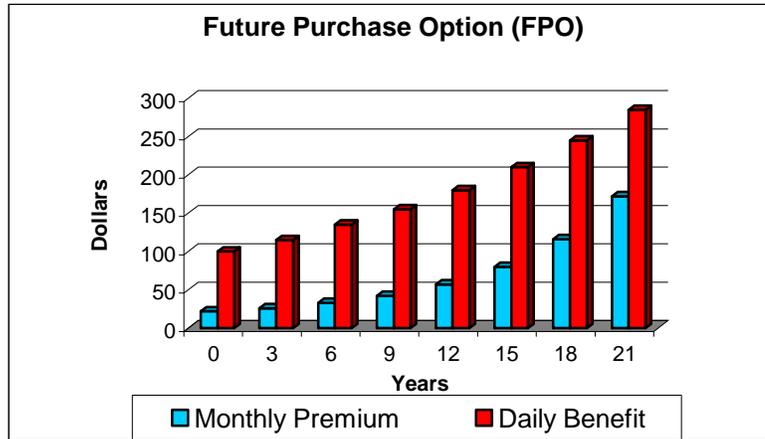


[If You decline the Automatic Benefit Increase Inflation Option, Your coverage will contain] [The policy contains ]an Inflation Adjustment Provision that allows You the option to purchase additional benefit amounts. The provision is called a **Future Purchase Option (FPO)** on the chart). The additional daily amount offered will be 5% of Your Nursing Home Daily Maximum Benefit compounded annually over the applicable period rounded to the nearest \$5. Your remaining Lifetime Maximum Benefit will be increased by the amount determined by multiplying the increase in the Nursing Home Daily Maximum Benefit by the number of days in the Lifetime Maximum Benefit shown in Your enrollment material. The increase is not available to You:

- ◆ on or after You meet the Benefit Trigger if You have declined an optional increase; or
- ◆ if Your coverage is being continued in effect under a reduced paid-up Nonforfeiture benefit.

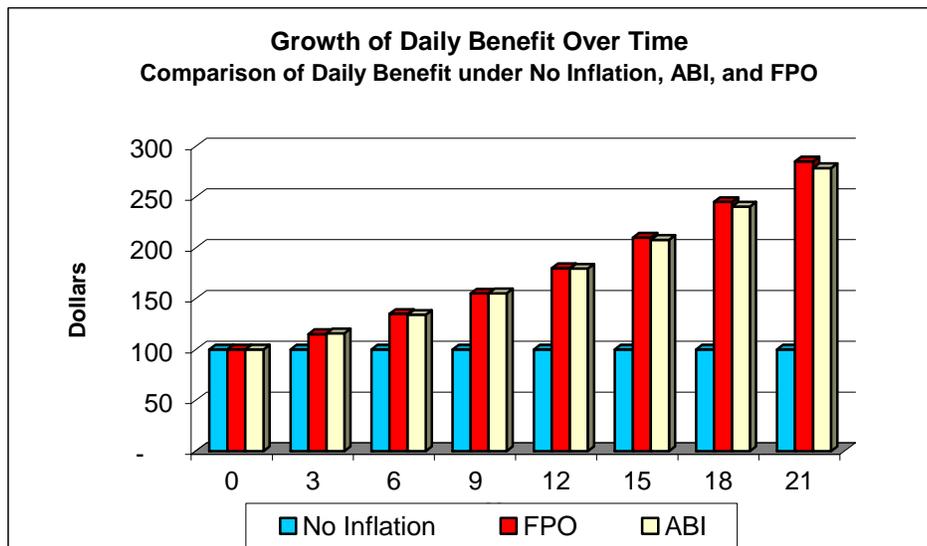
No additional underwriting or health screening will be done. The premium for the increase will be based on Your issue age as of the effective date of the increase.

The graph shows the change in the Nursing Home Daily Maximum Benefit and the monthly premium if You elect all increases available to You. The graph illustrates a Certificate that has been issued to a person who is age 50, has chosen a Nursing Home Daily Maximum Benefit of \$100/day and a 5-year Benefit Period. Assume the person has accepted all increases.



]

[The chart below demonstrates the eventual difference in daily benefit when You have No Inflation or accept no Inflation offers under FPO versus when You have Automatic Benefit Increase or accept all Inflation Offers under FPO.



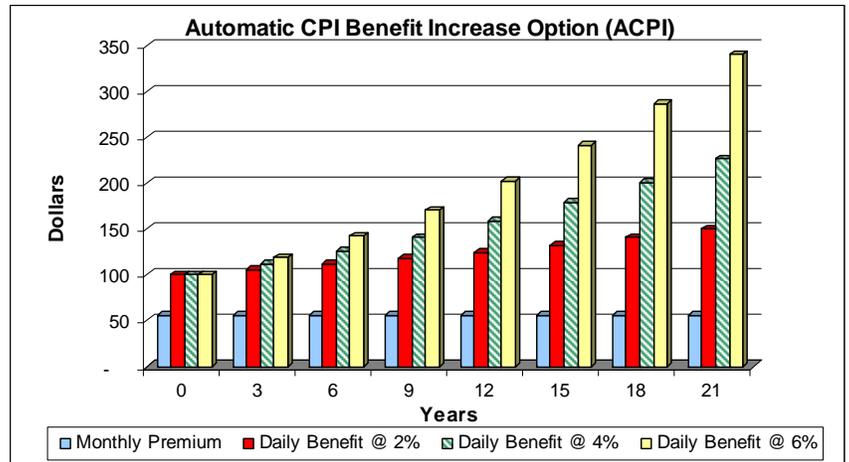
[The policy contains an **Automatic Consumer Price Index (ACPI) Benefit Increase [Option which You may elect at the time You enroll.]** [In addition, this provision will apply to You if You choose to switch to ACPI Benefit Increase inflation based on an offering under the Future Purchase Option.] [If selected, ]your Nursing Home Daily Maximum Benefit and [remaining] Lifetime Maximum Benefit will be increased by the percentage change in the CPI for the month three months prior to the {anniversary of the Policy Effective Date} as compared to the same month's CPI one year prior. In the event the CPI decreases, We will not reduce Your Daily Maximum Benefits and Your remaining Lifetime Maximum Benefit by such CPI decrease on the {anniversary of the Policy Effective Date}. However, We will offset any such CPI decreases when calculating future CPI increases to Your Daily Maximum Benefits and Your remaining Lifetime Maximum Benefit. "CPI" means the non-seasonally adjusted Consumer Price Index, Urban, All Items, published by the Bureau of Labor Statistics of the United States Department of Labor (CPI). The annual increase is automatic and will occur on each {anniversary of the Policy Effective Date.} However, no increase will occur if Your coverage is being continued under a Nonforfeiture Benefit. The premium for Automatic Benefit Increase is included in the policy premium[ if You elect ACPI Benefit Increase]. Your premium will not change, except as described in the policy.

**Guaranteed Increase Option:** [*(Important Notice – The Guaranteed Increase Option is not applicable to You if You are paying Your premium via the Ten-Year or Accelerated Payment Option.)* ]

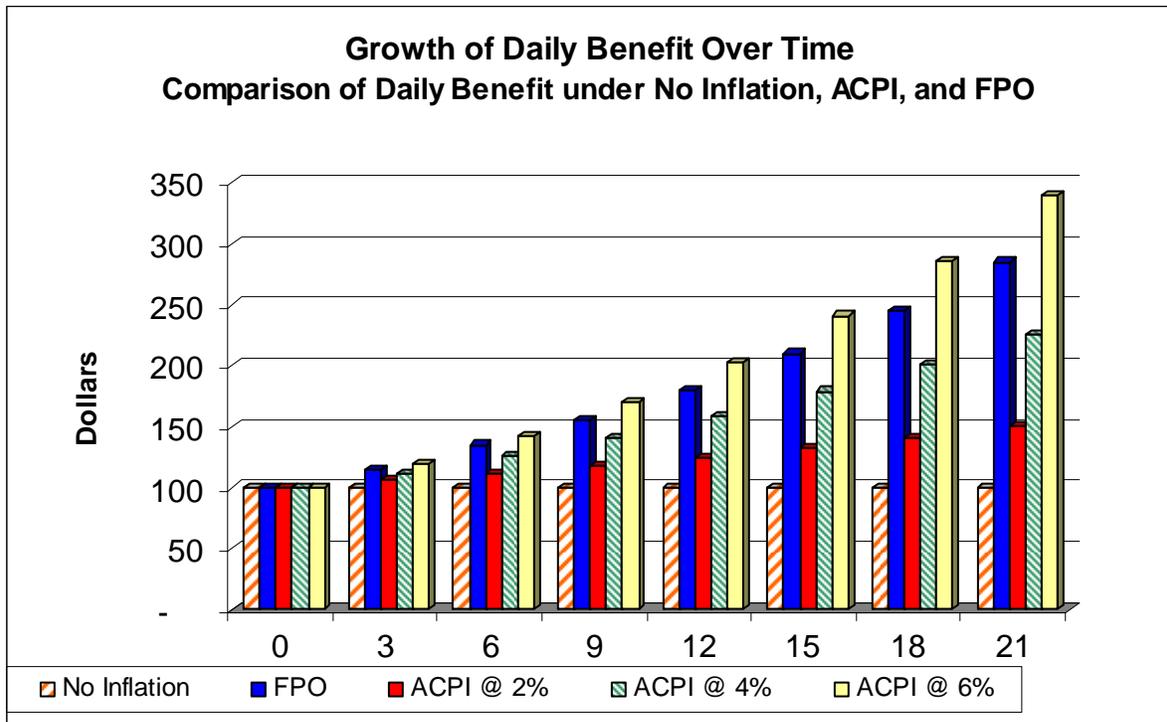
Effective as of the third anniversary of the Policy Effective Date and every third anniversary thereafter (the "Option Dates"), We will offer You the option to increase Your benefits by purchasing an additional amount of coverage equal to 10% of the Nursing Home Daily Maximum Benefit that was in effect immediately prior to that Option Date. This increase is in addition to the annual ACPI increase described above. No additional underwriting will be required. If You elect an increase under the Guaranteed Increase Option, the amount of the annual ACPI increase on that Option Date will be based on Your Nursing Home Daily Maximum Benefit prior to this additional purchase.

We must receive Your written election within 31-days after the applicable Option Date or Your right to elect that increase will expire. The premium for any increase under this Guaranteed Increase Option will be based on Your age on the Option Date and the premium rates then in effect. The increase on any Option Date will not be available to You (and, if requested, will not take effect) if: any benefits have been payable under Your Certificate during the two year period prior to the Option Date; or the Option Date occurs on or after Your {85<sup>th</sup>} birthday; or Your coverage is being continued under a Nonforfeiture Benefit.

The graph to the side shows the change in the Nursing Home Daily Maximum Benefit for three possible scenarios – increases in coverage assuming a constant 2%, 4% or 6% change in the CPI and the monthly premium under the CPI Benefit Increase. The graph illustrates a Certificate that has been issued to a person who is age 50, has chosen a Nursing Home Daily Maximum Benefit of \$100/day and a 5-year Benefit Period.



The chart below demonstrates the eventual difference in daily benefit when You have No Inflation or accept no inflation offers under FPO versus when You have Automatic CPI benefit increases or accept all inflation offers under FPO.



## 12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS

We cover brain disorders (including Alzheimer's Disease and similar forms of senility and irreversible dementia) that result in a Severe Cognitive Impairment. The need for Substantial Supervision due to Severe Cognitive Impairment must be established by clinical evidence and standardized tests that reliably measure Severe Cognitive Impairment.

## 13. PREMIUM

The initial premium for Your insurance will be determined from the premium rate schedules contained in Your enrollment material based on the options selected and Your issue Age.

## 14. ADDITIONAL FEATURES

- ◆ If Your insurance is subject to Evidence of Insurability, it will be necessary for You to answer some medical questions on the application. It may also be necessary to obtain a copy of Your medical history and to conduct a personal interview to determine if You are insurable. Based on the information received, we will determine if You are an insurable risk.
- ◆ **[Restoration of Benefits.** We will restore Your Lifetime Maximum Benefit if You have not received or needed care or services covered by the policy for a continuous period of {24 months} before Your request. You must have been paying premium and must provide proof satisfactory to us that You did not meet the Benefit Trigger all through the time period. During this {24-month} period, up to and including the date of Your request, We may require that You be examined by a Licensed Health Care Practitioner and that on-site assessments be conducted. Restoration of Benefits is available only once in Your lifetime. ]
- ◆ **[Monthly Cash Benefit** In addition to the other benefits, this option will provide a cash benefit in order to help You stay at home. No benefit is payable in any calendar month if You are confined in a Nursing Home or Alternate Care Facility for any part of that month. The Monthly Cash Benefit pays {3 or 6 times the Home and Community Professional Care/Home and Community Based Care Daily Maximum/ Benefit or 10% or 20% of the Home and Community Professional Care/Home and Community Based Monthly Maximum Benefit.}]

### **[Important Notice Regarding Federal Income Tax Law**

Benefits paid under the Monthly Cash Benefit are subject to certain aggregation rules under the Internal Revenue Code Section 7702B for purposes of Federal Income Tax calculation. This means that Monthly Cash Benefits will be aggregated with other benefits paid for You under the Policy. In the event that total payments exceed the "Per Diem Limitation" for that period, any benefits paid in excess of such limitation are includable in gross income. You are advised to review this benefit with a qualified tax professional or attorney to determine any such tax impact.]]

- ◆ **[Return of Premium At Death Benefit** - Should Your death occur while You are insured and at or before age {70}, the plan will pay an amount equal to 100% of the premiums You have paid to date, minus the total of all benefits paid or payable under the policy to You [or on Your behalf (including any amounts paid on behalf of a Secondary Insured under the Shared Care Benefit)].

There will be no return of premium if on the date of Your death, Your insurance is being continued in effect on a reduced paid-up basis under a Nonforfeiture Benefit.]

- ◆ **[International Coverage.** The policy includes an International Coverage Benefit. The International Coverage Benefit provides that we will pay actual charges incurred for covered Long-term Care Services up to the International Coverage Benefit for care received outside the United States while You are eligible to receive benefits. This benefit will reimburse actual expenses up to 75% of the applicable Maximum Benefit. Some limitations and plan modifications will apply.

[No International Coverage benefit will be paid in excess of an amount equal to a Maximum Benefit Factor of {2,190} times the Nursing Home Daily Maximum Benefit selected. This limitation applies regardless of whether You restored Your Lifetime Maximum Benefit under Restoration of Benefits. Any remaining amount must be used in the US.] ]

- ◆ **[Nonforfeiture Benefit.** After being in force at least {three years or one year if You pay Your premium via the Ten-Year or Accelerated Payment Option}, if Your coverage lapses because You have not paid the premium within the Grace Period, the full Maximum Daily Benefits will remain in effect with a reduced lifetime maximum equal to the sum of the premiums You have paid, but not less than 30 times the Nursing Home Daily Maximum Benefit.]

- ◆ **[Contingent Nonforfeiture** protection is part of Your coverage[, unless You elected the Nonforfeiture Benefit]. In the event that we increase rates by a substantial amount, we will provide You with the opportunity to pay the increased premium, decrease Your benefits to a level supported by Your current premium, or to exercise the Contingent Nonforfeiture option. Under the Contingent Nonforfeiture option, Your coverage will remain in force with a reduced Lifetime Maximum Benefit equal to the sum of the premiums You have paid or, if greater, 30 times the Nursing Home Daily Maximum Benefit You have selected. Daily benefits would remain the same.]

- ◆ **[Alternate Plan of Care Benefit.** We may approve alternatives to Your current Plan of Care that appear to be both appropriate for You and cost effective. The recommendation for an Alternate Plan of Care must be based on review of Your medical status; current and future care plans; long-term cost projections; and suitability and effectiveness of care. You may choose not to accept the recommendations. Benefits payable for charges incurred for services and supplies provided under the Alternate Plan of Care will not exceed the lesser of: the actual charges; or the appropriate charges for such services or supplies. Benefits payable under this provision will reduce the Lifetime Maximum Benefit. The Alternate Plan of Care is designed specifically for You; must be mutually agreed upon by You, a Licensed Health Care Practitioner and Us; contain recommendations for alternate services or supplies for You that are not otherwise covered under the Policy; and may be modified as appropriate. The Alternate Plan of Care may not be used: to pay for any charges for services or supplies described in the Limitations and Exclusions; or to supplement the maximum amount for any benefit under Your Certificate; or under International Coverage. ]

**15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LONG-TERM CARE INSURANCE COVERAGE.**

SERFF Tracking Number: MULF-126670266 State: Arkansas  
 Filing Company: John Hancock Life & Health Insurance Company State Tracking Number: 45946  
 Company Tracking Number:  
 TOI: LTC03G Group Long Term Care Sub-TOI: LTC03G.001 Qualified  
 Product Name: Inflation Enhancement  
 Project Name/Number: /

## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Flesch Certification <b>Comments:</b> <b>Attachment:</b> Certification.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Application <b>Bypass Reason:</b> not applicable <b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Health - Actuarial Justification <b>Comments:</b> <b>Attachment:</b> AR Actuarial Memo 2010 Addendum.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Outline of Coverage <b>Comments:</b> Please refer to form GLTC-DIS(2009-1) in the Form Schedule Tab		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Cover Letter <b>Comments:</b> <b>Attachment:</b> AR Cover_Letter.pdf		

SERFF Tracking Number: MULF-126670266 State: Arkansas  
Filing Company: John Hancock Life & Health Insurance Company State Tracking Number: 45946  
Company Tracking Number:  
TOI: LTC03G Group Long Term Care Sub-TOI: LTC03G.001 Qualified  
Product Name: Inflation Enhancement  
Project Name/Number: /

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** Transmittal Form

**Comments:**

**Attachment:**

Industry\_rates\_lh\_trans.pdf

## FLESCH SCORE CERTIFICATION

The undersigned, as officer of the John Hancock Life & Health Insurance Company, hereby certifies that each form in this filing meets the Flesch minimum reading ease score of 40.



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(Signed by Officer of Company)  
Marie Roche  
Assistant Vice President  
Long-Term Care Compliance

Date: June 11, 2010

**John Hancock Life & Health Insurance Company  
Group Long-Term Care Insurance Policy and Certificate  
Actuarial Memorandum Addendum - AR**

**Policy Series P-FACE(2009), et al**

**Scope and Purpose of Filing:**

This is an addendum to the previously-approved Long-Term Care Insurance Policy and Certificate Series P-FACE(2009), et al., to allow for an Inflation Enhancement benefit to be offered in your state. The purpose of the filing is to allow regulatory authorities to review that benefits are reasonable in relation to the premiums charged. It is not intended to be used for other purposes.

The Inflation Enhancement benefit increases the LMB without regard to any claims that have been paid rather than increasing the *remaining* LMB as is the case in our ABI and ACPI options filed in the Actuarial Memorandum.

**Actuarial Certification:**

This is an addendum to the Actuarial Memorandum. The actuarial certification contained in the Actuarial Memorandum for P-FACE(2009), et. al., which was approved on 5/05/2010, applies to this addendum as well.

**Additional Premium Classes**

The premium adjustment factors for the Inflation Enhancement is based upon the benefit period chosen. The Inflation Enhancement is available with the ABI and ACPI inflation options. Please see the attached table for the premium adjustment factors which apply to this benefit. These factors will be applied to the \$5 base premium in the same manner that all other rate factors are applied in the previously referenced Actuarial Memorandum.

**Inflation Enhancement:** If included, options available are:

- Automatic Benefit Increase

The Benefits and LMB will increase 5% per year compounded. The premium for this option is level from the date of issue.

- Automatic CPI Benefit Increase

This option is a level premium option where Benefits and LMB will, on each policy anniversary, increase by the percentage change in the Consumer Price Index, Urban, All Items (CPI percentage). The CPI percentage will be measured over the 1 year period that ends three months prior to the month of the policy anniversary. If the CPI percentage is negative in a year, no reduction in current Benefit amounts will occur, but the negative CPI percentage will instead, offset future increases.

In addition, every 3 years, an option to increase Benefits by a factor of 10% will be offered. This increase will be in addition to the automatic CPI increases. The premium for any such increase elected will be based on attained age but no additional underwriting will be required.

**John Hancock Life & Health Insurance Company**  
**Group Long-Term Care Insurance Policy and Certificate**

These offers will not be available if the insured elected a Limited Pay option (described in the Actuarial Memo) or if benefits have been payable in the 2 years prior to the date of the offer, or after the insured attains age 85.

**Inflation Enhancement**

<u>Benefit Period</u>	<u>ABI</u>	<u>ACPI</u>
2 year	1.0703	1.0505
3 year	1.0703	1.0505
4 year	1.0703	1.0396
5 year	1.0505	1.0297
6 year	1.0297	1.0198
7 year	1.0198	1.0198
10 year	1.0099	1.0099
20 year	1.0000	1.0000
Unlimited	1.0000	1.0000



Robert Eaton, FSA, MAAA

Date: June 11, 2010

## John Hancock Life & Health Insurance Company

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John Hancock Place  
Post Office Box 111 B-6-6  
Boston, Massachusetts 02117  
1-888-877-6075  
Direct: (617) 572-4027  
Fax: (617) 572-0399  
Email: nrice@jhancock.com



**Noah Rice**  
**Senior Contract Consultant**

### **LTC Contracts and Legislative Services**

June 11, 2010

Julie Benafield Bowman  
Commissioner  
Arkansas Insurance Department  
1200 West 3rd Street  
Little Rock, Arkansas 72201-1904

Re: **John Hancock Life & Health Insurance Company**  
**Company NAIC # 93610; FEIN #: 13-3072894**  
**Group Long-Term Care Insurance Submission**  
**Policy Form and Actuarial Addendum to be used with**  
**P-FACE(2009) , et al.**

Dear Commissioner:

We are filing the following forms for your review:

- D-LTC-INF(2009-1)
- D-TERM(2009-1); and
- GLTC-DIS(2009-1)

The forms describe two new inflation enhancements. They will be used with other forms filed and approved under policy form series, P-FACE(2009), et al. , SERFF filing number: MULF-125634076, on June 2, 2008.

The actuarial addendum that is attached relates to the actuarial memorandum that was filed under SERFF filing number: MULF-126510219, and approved on May 5, 2010. The addendum includes the rate factors for the inflation options that we are filing.

The following items are also included in this submission:

- the submission letter.
- all actuarial material.
- a \$225.00 filing fee (Forms) and a \$150.00 (Rate) submitted via EFT Transmission
- all required certifications.

Thank you for your time and consideration in this matter.

Sincerely,

A handwritten signature in black ink that reads "Noah Rice". The signature is written in a cursive style.

Noah Rice

## Life, Accident & Health, Annuity, Credit Transmittal Document

<b>1.</b>	<b>Prepared for the State of</b>	Arkansas
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<b>2.</b>	<b>Department Use Only</b>
	State Tracking ID

3.	Insurer Name & Address	Domicile	Insurer License Type	NAIC Group #	NAIC #	FEIN #	State #
	John Hancock Life & Health Insurance Company 200 Berkeley Street Boston, MA 02117	MA	Life & Health	904	93610	13-3072894	

4.	Contact Name & Address	Telephone #	Fax #	E-mail Address
	Rich Famiglietti 200 Berkeley Street, B-6-06 Boston, MA 02116	617-572-1997	617-572-0399	<a href="mailto:rfamiglietti@jhancock.com">rfamiglietti@jhancock.com</a>

<b>5.</b>	<b>Requested Filing Mode</b>	<input checked="" type="checkbox"/> Review & Approval <input type="checkbox"/> File & Use <input type="checkbox"/> Informational <input type="checkbox"/> Combination (please explain): _____ <input type="checkbox"/> Other (please explain): _____
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<b>6.</b>	<b>Company Tracking Number</b>	SERFF Filing # MULF-126670266
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<b>7.</b>	<input checked="" type="checkbox"/> New Submission <input type="checkbox"/> Resubmission	Previous file # _____
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<b>8.</b>	<b>Market</b>	<input checked="" type="checkbox"/> Individual <input type="checkbox"/> Franchise	<input type="checkbox"/> Small <input type="checkbox"/> Large <input checked="" type="checkbox"/> Small and Large
		<b>X Group</b>	<input checked="" type="checkbox"/> Employer <input checked="" type="checkbox"/> Association <input type="checkbox"/> Blanket <input type="checkbox"/> Discretionary <input checked="" type="checkbox"/> Trust <input type="checkbox"/> Other: _____

<b>9.</b>	<b>Type of Insurance</b>	LTC03G Group Long Term Care
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<b>10.</b>	<b>Product Coding Matrix Filing Code</b>	LTC03G.001 Qualified
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<b>11.</b>	<b>Submitted Documents</b>	<p><input type="checkbox"/> <b>FORMS</b></p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Policy</td> <td><input checked="" type="checkbox"/> Outline of Coverage</td> <td><input type="checkbox"/> Certificate</td> </tr> <tr> <td><input type="checkbox"/> Application/Enrollment</td> <td><input checked="" type="checkbox"/> Rider/Endorsement</td> <td><input type="checkbox"/> Advertising</td> </tr> <tr> <td><input type="checkbox"/> Schedule of Benefits</td> <td><input type="checkbox"/> Other</td> <td></td> </tr> </table> <p><b>Rates</b></p> <input checked="" type="checkbox"/> New Rate <input type="checkbox"/> Revised Rate	<input type="checkbox"/> Policy	<input checked="" type="checkbox"/> Outline of Coverage	<input type="checkbox"/> Certificate	<input type="checkbox"/> Application/Enrollment	<input checked="" type="checkbox"/> Rider/Endorsement	<input type="checkbox"/> Advertising	<input type="checkbox"/> Schedule of Benefits	<input type="checkbox"/> Other		
<input type="checkbox"/> Policy	<input checked="" type="checkbox"/> Outline of Coverage	<input type="checkbox"/> Certificate										
<input type="checkbox"/> Application/Enrollment	<input checked="" type="checkbox"/> Rider/Endorsement	<input type="checkbox"/> Advertising										
<input type="checkbox"/> Schedule of Benefits	<input type="checkbox"/> Other											
		<input type="checkbox"/> <b>FILING OTHER THAN FORM OR RATE:</b> Please explain: _____										
		<p style="text-align: center;"><b><u>SUPPORTING DOCUMENTATION</u></b></p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Articles of Incorporation</td> <td><input type="checkbox"/> Third Party Authorization</td> </tr> <tr> <td><input type="checkbox"/> Association Bylaws</td> <td><input type="checkbox"/> Trust Agreements</td> </tr> <tr> <td><input type="checkbox"/> Statement of Variability</td> <td><input checked="" type="checkbox"/> Certifications</td> </tr> <tr> <td><input checked="" type="checkbox"/> Actuarial Memorandum</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table>	<input type="checkbox"/> Articles of Incorporation	<input type="checkbox"/> Third Party Authorization	<input type="checkbox"/> Association Bylaws	<input type="checkbox"/> Trust Agreements	<input type="checkbox"/> Statement of Variability	<input checked="" type="checkbox"/> Certifications	<input checked="" type="checkbox"/> Actuarial Memorandum		<input type="checkbox"/> Other _____	
<input type="checkbox"/> Articles of Incorporation	<input type="checkbox"/> Third Party Authorization											
<input type="checkbox"/> Association Bylaws	<input type="checkbox"/> Trust Agreements											
<input type="checkbox"/> Statement of Variability	<input checked="" type="checkbox"/> Certifications											
<input checked="" type="checkbox"/> Actuarial Memorandum												
<input type="checkbox"/> Other _____												

12.	<b>Filing Submission Date</b>	<b>6/11/10</b>	
13	<b>Filing Fee (If required)</b>	Amount <u>    \$ 375.00    </u>	Check Date <u>    EFT Transmission    </u>
		Retaliatory <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Check Number <u>    EFT Transmission    </u>
14.	<b>Date of Domiciliary Approval</b>		
15.	<b>Filing Description:</b>		
<p><b>Re: John Hancock Life &amp; Health Insurance Company Company NAIC # 93610; FEIN #: 13-3072894 Group Long-Term Care Insurance Submission Policy Form and Actuarial Addendum to be used with P-FACE(2009) , et al.</b></p> <p>Dear Commissioner:</p> <p>We are filing the following forms for your review:</p> <ul style="list-style-type: none"> <li>• D-LTC-INF(2009-1)</li> <li>• D-TERM(2009-1); and</li> <li>• GLTC-DIS(2009-1)</li> </ul> <p>The forms describe two new inflation enhancements. They will be used with other forms filed and approved under policy form series, P-FACE(2009), et al. , SERFF filing number: MULF-125634076, on June 2, 2008.</p> <p>The actuarial addendum that is attached relates to the actuarial memorandum that was filed under SERFF filing number: MULF-126510219, and approved on May 5, 2010. The addendum includes the rate factors for the inflation options that we are filing.</p>			

<b>16.</b>	<b>Certification (If required)</b>		
<b>I HEREBY CERTIFY</b> that I have reviewed the applicable filing requirements for this filing, and the filing complies with all applicable statutory and regulatory provisions for the state of <u>Arkansas</u> .			
Print Name	<u>Rich Famiglietti</u>	Title	<u>Contract Consultant</u>
			
Signature	_____	Date:	<u>06/11/10</u>

LHTD-1, Page 2 of 2

<b>17.</b>	<b>Form Filing Attachment</b>
<b>This filing transmittal is part of company tracking number</b>	
<b>This filing corresponds to rate filing company tracking number</b>	

	Document Name	Form Number		Replaced Form Number
	Description			Previous State Filing Number
01	<b>Inflation Addition</b>	<b>D-LTC-INF(2009-1)</b>	<input checked="" type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
02	<b>Termination of Coverage</b>	<b>D-TERM(2009-1)</b>	<input checked="" type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
03	<b>Outline of Coverage</b>	<b>GLTC-DIS(2009-1)</b>	<input checked="" type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
04			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
05			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
06			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
07			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
08			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
09			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
10			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
11			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
12			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	

18.		Rate Filing Attachment		
This filing transmittal is part of company tracking number				
This filing corresponds to form filing company tracking number				
Overall percentage rate indication (when applicable)				
Overall percentage rate impact for this filing		%		
	Document Name	Affected Form Numbers		Previous State Filing Number
	Description			
01	Actuarial Memorandum Addendum – AR for Policy Series P-FACE(2009), et al	P-FACE(2009), et al	<input checked="" type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
02			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
03			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
04			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
05			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
06			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
07			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
08			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
09			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	
10			<input type="checkbox"/> New <input type="checkbox"/> Revised Request +____% -____% <input type="checkbox"/> Other _____	

LH RFA-1