

STERLINGTM

**STERLING INVESTORS
LIFE INSURANCE COMPANY**

Convalescent Care Plan

A Convalescent Care plan designed to provide valuable nursing facility benefits and optional home health care benefits for short-term stays

Ins-Special, Inc
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Purdy, MO 65734
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800-789-0182

SIBRSTC 11/05

Consider These Facts About Nursing Facility Stays...

- The average length of stay for all nursing home discharges is 290 days.
- 73% of all nursing home discharges were alive.
- Since 1985, the average length of stay for a nursing home discharge has decreased from 416 days to 290 days.
- Only 7.4% of all nursing home stays exceeded 3 years or more.

Source: National Center for Health Statistics: Number 312, 2000

Will You Need Convalescent Care?

43% of America's population over the age of 65 will spend sometime in a nursing facility. The vast majority of these stays will be less than one year.

Source: National Association of Insurance Commissioners booklet
"A Shoppers Guide to Long Term Care Insurance" (revised June, 1993)

Will Medicare Cover Your Convalescent Care?

- Medicare covers only skilled nursing care.
- In order to receive Medicare benefits for a nursing home stay you must
 - ⇒ Stay in the hospital for 3 days not including the day of discharge.
 - ⇒ Be admitted to a skilled nursing facility approved by Medicare within 30 days following the hospital discharge.
 - ⇒ Receive daily skilled care for the same illness for which you were hospitalized.
- If your stay is approved by Medicare your benefits last only 100 days.
- You must pay a co-pay for 80 days of the 100 days covered.
- Medicare does not cover any custodial care.
- Most nursing home stays are for custodial care.

Convalescent Care Plan from Sterling Investors Life provides valuable benefits to help pay for the cost of convalescent care.

Valuable Benefits and Features*:

- ☑ **Covers All Levels of Care.**
 - ⇒ Your Convalescent Care Policy provides coverage for any level of care including custodial care.
- ☑ **Full Benefits for Alzheimer's Disease**
 - ⇒ Cognitive impairments, including Alzheimer's Disease, senile dementia and Parkinson's Disease are covered the same as any other illness.
- ☑ **Flexible Benefits Designed to meet Your Needs and Your Budget**
 - ⇒ You may choose daily benefits from \$50 to \$150 per day. You may select a benefit period of 180 or 360 days.
- ☑ **Full Restoration of Benefits**
 - ⇒ Following confinement in a nursing home or receiving home health care for which benefits were paid, and after you have been confinement free for six consecutive months, 100% of any benefits you have used will be restored.
- ☑ **Lifetime Maximum Benefit for Added Protection**
 - ⇒ Your lifetime maximum benefit is two times the benefit period you select. Example: If you choose a 360 day benefit period your lifetime maximum benefit is 720 days.
- ☑ **One Time Elimination Period of 20 Days**
 - ⇒ Your elimination period before benefits begin is 20 days. This elimination period needs to be satisfied only once during your lifetime. Any future benefits will not be subject to an elimination period.
- ☑ **Guaranteed Purchase Option Benefit**
 - ⇒ You may choose to increase your daily benefit by 15% on every third policy anniversary date provided you are not receiving benefits, home health care or confined to a facility. You may choose to increase your benefit until you reach age 85.
- ☑ **Medical Equipment Benefit**
 - ⇒ Receive up to \$1000 during your lifetime to help pay for the rental, lease or purchase of durable medical equipment in your home.
- ☑ **Easy Benefit Triggers**
 - ⇒ You are eligible for benefits when your doctor certifies that you need assistance with more than one ADL (i.e. dressing, bathing, eating, transferring, toileting or continence); or cognitive impairment.

*THIS IS A BRIEF DESCRIPTION of your coverage. This brochure is not valid without the Outline of Coverage. For complete information on benefits, exceptions and limitations, **PLEASE READ YOUR OUTLINE OF COVERAGE AND YOUR POLICY.**

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Convalescent Care Plan

The Sensible Approach to Covering Your Convalescent Needs

- **Choose to Receive Your Care at Home.**

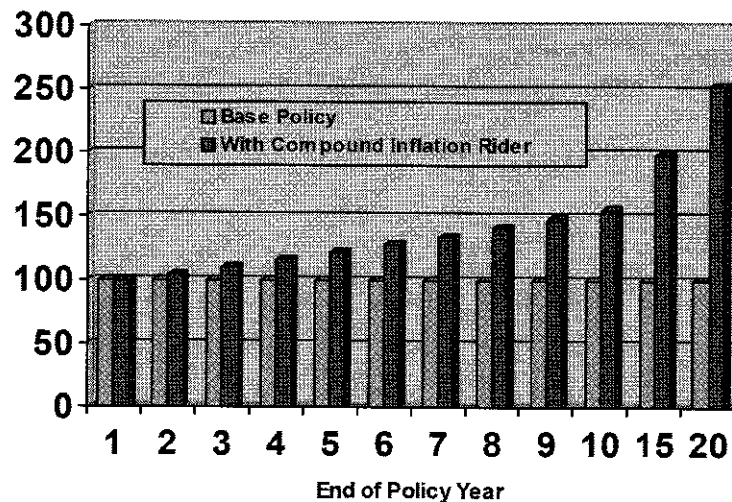
⇒ If you select this optional benefit rider, your plan pays 100% of the actual charges, up to the daily benefit you select for home health care received in your home or an adult day care center.

- **Valuable Protection Against Future Inflation.**

⇒ If you select this optional benefit rider, your benefits will automatically increase each year by 5%. As added protection, this increase is compounded annually.

Inflation Benefit Illustration

Beginning Benefit = \$100



Guaranteed Renewable for Life

Your policy can never be cancelled by the Company as long as you pay your premiums on time.

CONDITIONAL RECEIPT

Make check payable to Sterling Investors Life Insurance Company. Do not make payable to the Agent or leave payee blank.

Received from _____ this _____ day of _____, 20____, the sum of \$ _____ being payment of the initial premium for the policy applied for on this date. The insurance applied for shall not take effect until the policy has been issued and the first premium due has been paid in full. If there is any change in the health of the proposed insured after the date the insurance is applied for and prior to the issue of the policy, such information may be used by Sterling Investors Life Insurance Company in deciding whether or not to issue the policy.