



# LTC Select<sup>™</sup>

P R E M I E R



flexible  
planning  
for your  
future

Long-Term Care Insurance from New York Life Insurance Company

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CPI-U An Affordable Alternative to Traditional Inflation Protection

**Please refer to the attached Outline of Coverage,  
Form ILTC-5201 (TX) (1001), Pages 1-17,  
for a full description of policy benefits.**

**SUCCESSFUL RETIREMENT  
PLANNING IS PART  
ASSET ACCUMULATION  
PART  
ASSET  
PROTECTION**

# It's about taking control of your future



Some people plan for a lifetime to fulfill their retirement dreams. They work hard to accumulate assets year after year and know exactly how much money may be required to maintain a comfortable lifestyle in later years. But even with such careful planning, many fail to fully protect those assets once they are in place.

## A retirement nest egg may not be the place to test the odds.

Life insurance can help protect assets when a person dies suddenly, but what will protect those assets if a person needs long-term care services due to a chronic illness or disability? Advances in medical technology and healthier lifestyles mean greater life expectancy. Yet many Americans today may have overlooked the possibility that increased longevity may increase the need for long-term care services.

# control of your future

## Understanding your options

### Consider the quality of life you wish to maintain.

You may believe that you already have protection. However, health plans rarely cover long-term care services, and Medicare limits benefits for ongoing long-term care services. Medicaid will pay for long-term care but only for individuals who meet strict asset and income eligibility requirements.

You may think you have sufficient income and assets to self-insure this risk. But even if you could afford to pay long-term care expenses out of pocket, why would you? Is that the purpose you had in mind when you worked so hard to accumulate those assets?

Perhaps your children have promised to care for you in later years. However, when the time comes, they may not have the time, strength, or emotional ability to care for you. And you may not wish to burden your children with this responsibility.



# Making the right decision

The choices you make now could affect your quality of life well into the future. Insuring against the risk of needing long-term care services may preserve your choice in the quality of care and where that care will be provided. And while the need for help may seem to be years away, the financial strength, honesty, and integrity of New York Life Insurance Company (New York Life) will help give the piece of mind you need to make this important decision today.



# meet your needs

## Designing a New York Life long-term care insurance policy to meet your needs.

All LTCSelect Premier policies include:



- Care Coordinator<sup>1</sup>
- Informal Caregiver Training
- Facility Care
- World-Wide Coverage
- Waiver of Premium
- Restoration of Benefits
- Waiting Period Payback
- No Pre-Existing Condition Exclusion
- Alternate Plan of Care
- Bed Hold Reservation

New York Life' long-term care insurance policies are intended to be tax-qualified and are issued to individuals from ages 18 to 85. Premiums are based on your age at the time of purchase, so the younger you are when you purchase Long-Term Care Insurance from New York Life, the lower your premiums will be for the lifetime of your policy. Your policy is guaranteed renewable which means that New York Life cannot cancel your policy unless you do not pay your premiums when due.

New York Life does have the right to change the premiums you pay in the future, but only on a class basis. You will be notified of any premium increase at least 45 days before any premium increase is effective.

1. A Care Coordinator designated by New York Life Insurance Company works with the insured and the company to develop a written Plan of Care when a long-term care need arises. New York Life's Care Coordinator will be a Licensed Health Care Practitioner. The use of the Care Coordinator is voluntary.

## Select the benefits and features right for you

New York Life's comprehensive policy allows you to select from a wide range of benefits so that you can customize your policy to suit your needs. The premium will vary based on the amount of benefits you select.

- **Home and Community-Based Care,** including Home Health Care, Adult Day Care, and Homemaker Services, to provide you with the professional assistance you need to remain in the comfort of your home. This benefit is not available in the Nursing Home Only Insurance Policy, INH-5000 (TX) (1001).
- **Nursing Home or Assisted Care Living Facilities** To provide you with the skilled nursing, intermediate, or custodial care that you need in a facility appropriate for the level of care that you need and desire.



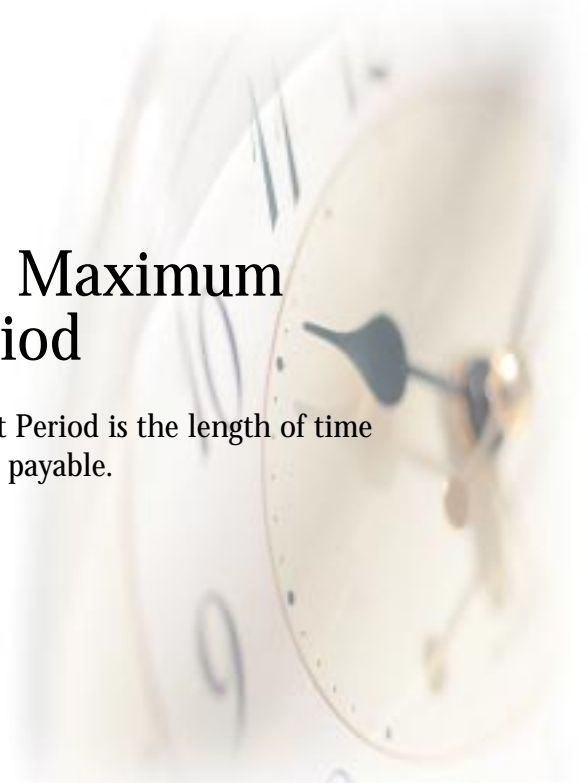
### Select your Waiting Period

- 20 Days
- 90 Days
- 180 Days

### Select your Maximum Benefit Period

The Maximum Benefit Period is the length of time that you want benefits payable.

- Two years
- Three years
- Four years
- Five years
- Unlimited



# Care Insurance

## Select your daily benefit amount



You may choose a daily benefit amount within the range of \$50 to \$400. The daily benefit and the benefit period work together to create a pool of dollars from which benefits are paid. You are eligible for benefits when you need substantial assistance from another person with two or more of the following activities of daily living due to a loss of functional capacity expected to last at least 90 days: dressing, eating, continence, toileting, transferring, bathing; or you require substantial supervision because of a severe cognitive impairment. You must also be certified as a chronically ill individual and have a written plan of care both from a licensed health care practitioner. You must follow that plan of care. Your eligible expenses are reimbursed up to the maximum daily amount, until the pool of dollars is empty. New York Life's policies are medically underwritten.





## Additional benefits included in every policy. <sup>2</sup>

**Durable Medical Equipment<sup>3</sup>**

**Bed Hold Reservation**

**Care Coordinator<sup>4</sup>**

**Informal Care<sup>5</sup>**

**Respite Care**

**World-Wide Coverage**

**Alternate Plan of Care**

**Waiting Period Payback Provision**

**Three-Year Rate Guarantee**

**Premium Discounts**

**Waiver of Premium**

**Paid-Up Feature**

**Return of Premium**

**Contingent Nonforfeiture Benefit**

2. For a detailed description of additional benefits, please refer to the attached Outline of Coverage, ILTC-5201 (TX) (1001).

3. This provision is not available in the Nursing Home Only Insurance Policy, INH-5000 (TX) (1001).

4. A Care Coordinator designated by New York Life Insurance Company works with the insured and the company to develop a written Plan of Care when a long-term care need arises. New York Life's Care Coordinator will be a Licensed Health Care Practitioner. The use of the Care Coordinator is voluntary.

5. Care in your home by a person who does not live with you, to assist you with the activities of daily living or to provide you with substantial supervision because of a severe cognitive impairment.

# Additional features

## Optional Riders – You may choose from a variety of riders that offer inflation protection, nonforfeiture benefits and special benefits for couples.

The optional riders are available for an additional premium. For further explanation of additional benefits refer to the Outline of Coverage, ILTC-5201 (TX) (1001).

### **Inflation Protection Riders**

**5 Percent Compounded Annually Increases for Life Inflation Protection Rider -ALTC-5002 (1001):** If you elect this optional rider and on each policy anniversary your daily and lifetime maximum benefits will increase by 5 percent of those benefits amounts on that policy anniversary (called a compound rate). If you do not want this rider, you must reject it in your application with that rejection including your signature in the acknowledgements section of the application indicating that you have reviewed benefit and reject the 5% compounded annually for life inflation protection.

**Simple Increases Annually for Life Rider-ALTC-5003 (1001):** If you reject the 5% Compounded Annually Increases for Life Inflation Protection Rider, you may elect this optional rider at a 5% or 6% amount and on each policy anniversary your daily and lifetime maximum benefits will increase by 5% or 6% (as you elect) at the amounts at the time this rider became effective on your policy (called a simple rate).

### **Nonforfeiture Benefit Rider -**

ALTC-5006 (1001): This Rider gives you a shortened benefit period if you elected this benefit and your policy lapses after it has been in force for at least three years.

**Couples Riders –** To apply for either of these riders both you and your spouse must have identical policy benefits including the same effective dates and those policies must remain identical for the riders to continue in force. Divorce or dissolution of marriage will not automatically terminate these riders. Divorce or dissolution of marriage will not cause the premiums of these riders to increase. For a detailed description of these riders, please refer to the attached outline of coverage.

### **Couples Additional Benefit Rider -**

ALTC-5030 (1001): This Rider gives you and your spouse the following additional benefits when you have identical coverage.

- **Spousal Premium Waiver**
- **Spousal Waiting Period**
- **Survivorship Benefits**

### **Shared Care Rider - ALTC-5031 (1001):**

This rider gives you and your spouse an additional lifetime maximum pool of money that can be used by either you or your spouse, if needed, when you and your spouse have identical policies.

## CPI-U Benefit Increase Offer Rider ALTC-5032 (TX) (1001) Get the right amount of coverage at the right time.

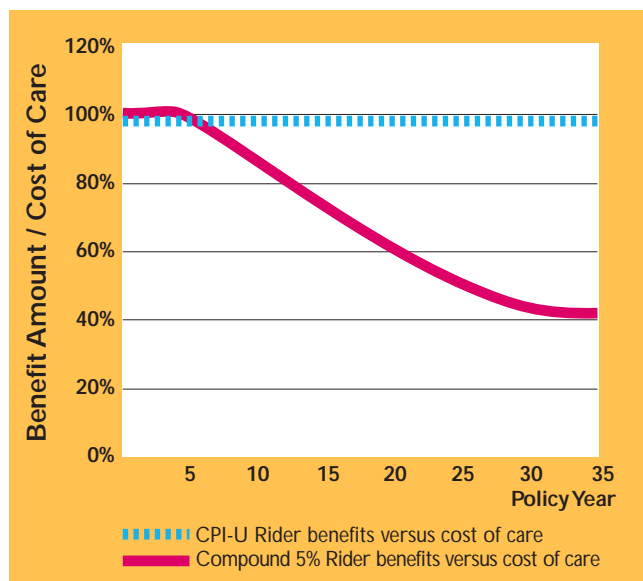
### Eliminate the guesswork

With traditional inflation riders, selecting the right benefit is often determined by an educated guess based on your age. A 70-year-old may purchase a low simple interest rider assuming the possibility of needing care is just a few years away. Buyers in their 60s might elect a higher simple interest amount. Younger buyers may be better off selecting the compound rider because they plan to hold their policy for a long period of time before collecting benefits. However, since these options only allow for a fixed level of inflation, you could still find yourself with more coverage than necessary in some years, perhaps not enough of an increase in others.

### An affordable option to traditional inflation riders

Most long-term care insurance inflation riders require that your policy benefits be increased by a fixed percentage every year. Inflation costs can vary in amount from one year to the next. We have developed another option; the CPI-U Benefit Increase Offer Rider (CPI-U). The CPI-U helps ensure that your policy benefits keep pace with fluctuations in the cost of goods and services as determined by the national Urban Consumer Price Index.

As with any insurance product, the goal is to have the right amount of coverage in place at the time you need it most. Our new CPI-U Rider was designed to do just that. Your policy may not help you a great deal years from now if your benefits remain at a fixed level and the cost for care continually increases. You must positively reject the 5% Compounded Annually for Life Inflation Protection Rider before you are eligible to apply for this rider.



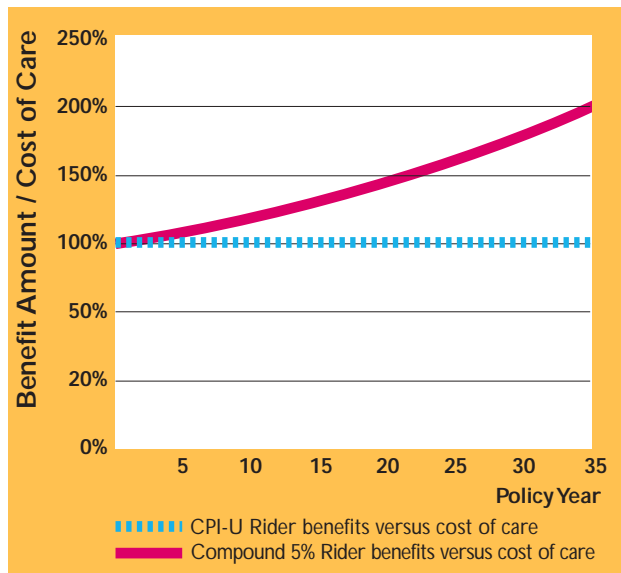
Assumes:

- 3% inflation increasing to 8% over 5 years for the cost of LTC Services. The 5% compound rider will not keep policy benefits in line with actual cost of care.
- CPI-U increases at the same rate as the cost of LTC services increase.\*

\* Cost of care increase rate may be more or less than CPI-U increase rate—not intended to be a guarantee coverage of all costs incurred.

# Option Rider

**CPI-U was designed to work with our Long-Term Care Insurance policy, so policy benefits keep pace with Inflation.**



**CPI-U future increases:  
Cost of care increases at CPI-U rate.\*  
Assumes inflation at 3%.**

If inflation underpases the 5% option you have actually purchased more insurance benefit than you will need by as much as 100%.

\* Cost of care increase rate may be more or less than CPI-U increase rate— not intended to be a guarantee of all costs incurred.

## CPI-U features

- The price for these benefit increases is based on your issue age – your age at the time that you first purchased the policy!
- All policy limits are included in the increase offer. When you accept the increase, all of your benefits will increase by the CPI-U percentage!
- You decide whether to accept the yearly increase offers. You can choose to accept or decline these yearly increase offers as many times as you want!
- No future underwriting is required for benefit increases! Once your policy is in place you can accept the CPI increase offers at any time, even while on claim!

**Policy Form Number Disclosure**

New York Life Insurance Company's individual tax qualified Long-Term Care Insurance policies are issued on policy forms ILTC-5000 (TX) (1001) for the comprehensive policy and INH-5000 (TX) (1001) for the nursing home only policy. The INH-5000 (TX) (1001) is a Nursing Home Only Insurance Policy and does not cover the Home and Community-Based Care, Durable Medical Equipment and Advantages of Using the Care Coordinator discussed in this brochure.

**Policy Limitations, Reductions and Waiting/Elimination Periods**

New York Life's individual long-term care insurance policies contain limitations and exclusions which are listed in the attached Outline of Coverage. Policy benefits are subject to daily as well as lifetime maximum benefits. Benefit eligibility is contingent on a chronically ill individual certification and a written plan of care both by a licensed health care practitioner. The provider must be an eligible provider for the qualified long-term care and services being provided. The policy may not cover all expenses for long-term care needs. **IF THERE IS A CONFLICT BETWEEN THIS BROCHURE AND THE POLICY ISSUED TO YOU, THE POLICY LANGUAGE WILL GOVERN. IT IS ADVISABLE TO REVIEW THE POLICY WHEN DELIVERED TO YOU. YOU HAVE 30 DAYS IN WHICH TO REVIEW THE POLICY.** If you are not satisfied with the policy for any reason you may return it to New York Life or your agent with a written request for a refund of your premium. New York Life will terminate the policy from the beginning and refund any premium you have paid.



**OUTLINE OF COVERAGE – LONG-TERM CARE OR NURSING HOME AND ASSISTED LIVING FACILITY ONLY INSURANCE**



NEW YORK LIFE INSURANCE COMPANY, LONG-TERM CARE • 1-800-224-4582  
7501 N. Capital of Texas Hwy., Suite C-100, Austin, Texas 78731-1774

To be retained by the APPLICANT and SPOUSE (if Spouse is applying)

- Policy Form No. ILTC-5000 (TX) (1001)      Individual Long-Term Care Insurance Policy
- Policy Form No. INH-5000 (TX) (1001)      Individual Nursing Home and Assisted Care Living Facility Only Insurance Policy

**Caution:** The issuance of this Long-Term Care Insurance Policy is based upon Your responses to questions on Your Application. A copy of Your Application is attached to Your Policy when issued. If Your answers are incorrect or untrue, New York Life Insurance Company may have 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 New York Life, Long-Term Care at 7501 N. Capital of Texas Hwy., Suite C-100, Austin, Texas 78731-1774.

**Notice to Buyer:** The Policy may not cover all of the costs associated with the long-term care incurred by the Insured during the period of coverage. The Policy Owner is advised to review carefully all policy limitations. In addition, the Policy Owner is advised that based on current health care cost trends, the benefits provided by this Policy may be significantly diminished in terms of real value to the Policy Owner, depending on the amount of time which elapses between the date of purchase and the date upon which the Insured first becomes eligible for those benefits.

1. **POLICY DESIGNATION.** The Policy is an individual policy of long-term care insurance or nursing home and assisted care living facility only insurance that is issued in the state of Texas.
2. **PURPOSE OF OUTLINE OF COVERAGE.** This Outline of Coverage provides a very brief description of the important features of the Policy. You should compare this Outline of Coverage to outlines of coverage for other policies available to You. This is not an insurance contract, but only a summary of coverage. Only the Policy contains governing contractual provisions. This means that the Policy sets forth in detail the rights and obligations of both You and New York Life Insurance Company. Therefore, if You purchase this coverage, or any other coverage, it is important that You **READ YOUR POLICY CAREFULLY!**
3. **TERMS UNDER WHICH THE POLICY MAY BE RETURNED AND PREMIUM REFUNDED.**
  - a. **30-Day Free Look.** You have 30 days from the day You receive the Policy to examine it. If You are not satisfied with the Policy for any reason within 30 days of receipt, You may return it to New York Life, Long-Term Care, P. O. Box 559005, Austin, Texas 78755-9005 or to Your agent, with a written request for a full refund of any premium paid. Upon Your written request within the initial 30 days and the return of the policy, We will return any premium paid and coverage will be void from the start.
  - b. **Premium Refund for Voluntary Policy Surrender or Upon Your Death.** If Your Policy terminates for any reason, We will refund to You any premiums that You have paid past the date of termination. Any payments We make after We receive notification of Your death will be made to Your estate.
4. **MEDICARE SUPPLEMENT INSURANCE DISCLAIMER. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.** If You are eligible for Medicare, review the *Guide to Health Insurance for People with Medicare* available from Us or Your agent. Neither New York Life nor its agents represent Medicare, the federal government or any state government.



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5. **LONG-TERM CARE/NURSING HOME COVERAGE.** Long-term care insurance is designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services, and maintenance or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a Nursing Home or Assisted Care Living Facility, in the community or in the home.

The Policy provides coverage in the form of reimbursement for Eligible Charges of covered institutions and entities, up to the applicable maximum daily benefits subject to policy limitations in paragraph 7 of this subsection, Waiting Periods, and Policy Lifetime Maximum Benefit requirements outlined in paragraph 6 of this subsection. Benefits for Informal Care, if included in this Policy, are paid in the form of a fixed dollar indemnity for days you receive this care, also subject to policy limitations and Policy Lifetime Maximum Benefit requirements.

6. **BENEFITS PROVIDED BY THE POLICY.**

a. **Waiting Period and Policy Maximums.**

- (1) **Waiting Period.** The Policy contains a Waiting Period, which is like a deductible. The Waiting Period is the initial number of days that You must receive care or services before benefit payments will begin. The Policy will not pay for care or services received or provided during the Waiting Period. Only days on which You receive care or services covered either under this Policy or by Medicare count toward meeting the Waiting Period. Some Benefits are not subject to the Waiting Period and amounts paid for those Benefits will not count toward satisfying the Waiting Period. The Benefit descriptions below indicate if that Benefit is subject to the Waiting Period.

Once You have met all the conditions of the Eligibility for Payment of Benefits provision and have satisfied the Waiting Period, the Policy will begin paying benefits for covered care or services. The days counted toward Your Waiting Period do not have to be consecutive, but only service days will be counted, subject to the provisions of the Policy.

The Policy has a Waiting Period of 20, 90, or 180 days. You select the Waiting Period You want for Your Policy at the time of application.

- (2) **Policy Maximums.** The Policy contains maximum benefits that may be paid for certain Benefits.
- (a) **Policy Lifetime Maximum Benefit.** The Policy Lifetime Maximum Benefit is the maximum dollar amount that will be payable for Benefits under the Policy. The Policy Lifetime Maximum Benefit is shown in the Schedule of Benefits of Your Policy. No further benefits are payable once the total benefits paid equals the Policy Lifetime Maximum Benefit.
- The Policy Lifetime Maximum Benefit is determined by multiplying the Nursing Home Maximum Daily Benefit by a multiplier. The multiplier is the number of days in the benefit period selected by You at the time of application. The benefit periods and multipliers are: 2 years (730 days), 3 years (1095 days), 4 years (1460 days), 5 years (1825 days) and Unlimited (lifetime) (no multiplier).
- For example, if You select \$100 per day as Your Nursing Home Maximum Daily Benefit and You select a 2-year benefit period, Your Policy Lifetime Maximum Benefit would be:

$$\$100 \times 730 \text{ (2 years times 365 days)} = \$73,000.00$$



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- (b) **Nursing Home Maximum Daily Benefit.** The Nursing Home Maximum Daily Benefit is the maximum dollar amount payable for any one day of care in a Nursing Home or an Assisted Care Living Facility. The Nursing Home Maximum Daily Benefit is selected by You at the time of application and is described below.
- (c) **Home and Community-Based Care Maximum Daily Benefit.** The Home and Community-Based Care Maximum Daily Benefit is the maximum dollar amount that is payable on any one day, except as provided for the Advantages of Using the Care Coordinator provision described below.  
The Home and Community-Based Care Maximum Daily Benefit is a percentage of the Nursing Home Maximum Daily Benefit and that percentage is selected by You at the time of application. The allowable percentages are:
  - 0% (for a Policy with no Home and Community-Based Care Benefits – Nursing Home or Assisted Care Living Facility Only Insurance Policy; or
  - 50% to 100% in 10% increments.
- (d) Other maximum benefits or limits to benefit payments are described in the Benefit provisions to which they apply. Benefit provisions are described below and are described in more detail in the Policy. The Limitations and Exclusions of the Policy are described both below and in the Policy. In the case of any conflict between descriptions in this Outline of Coverage and the Policy, the Policy language will govern.

**b. Institutional Benefits.**

- (1) **Nursing Home Care or Assisted Care Living Facility Benefit.** We will pay the Eligible Charges for each day that You are confined in a Nursing Home or Assisted Care Living Facility for up to the Nursing Home Maximum Daily Benefit selected, provided that Your stay must begin while Your coverage under the Policy is in force.
  - (a) The Eligible Charges of a Nursing Home or an Assisted Care Living Facility include only the daily charge to inpatients for room and board.
  - (b) The Waiting Period applies to this Benefit, and amounts We pay will count against the Policy Lifetime Maximum Benefit.

**Nursing Home Maximum Daily Benefit:** \$50 to \$400 based on Your selection.
- (2) **Bed Hold Benefit.** After You have been approved for and are receiving benefits for Nursing Home or Assisted Care Living Facility Benefits, We will pay a benefit for each day (up to 30 days per calendar year) to assure a place will be available for You when You return from a temporary absence for any reason. This Benefit is subject to the Waiting Period of the Policy. Any amount We pay under this Benefit will count against Your Policy Lifetime Maximum Benefit.
- (3) **Extended Coverage Benefit.** If You are confined in a Nursing Home or an Assisted Care Living Facility and You are receiving benefits while the Policy is in force, and You continue to be confined without interruption after the Policy lapses or terminates, We will extend benefits by continuing to pay benefits for such confinement while You remain so confined, up to the Policy Lifetime Maximum Benefit.



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**c. Non-Institutional Benefits.**

(1) **Home and Community-Based Care Benefit.** For each day You receive Home and Community-Based Care, We will pay the Eligible Charges for the Home and Community-Based Care You receive on that day, up to the Home and Community-Based Care Maximum Daily Benefit. Home and Community-Based Care includes Home Health Care, Adult Day Care, and Homemaker Services. (These benefits are not available in the Nursing Home and Assisted Care Living Facility Only Insurance Policy.)

- (a) **Home Health Care Services.** Benefits for Home Health Care Services are only payable if provided by a person who:
  - (i) Is employed by a Home Health Agency; or
  - (ii) Is properly licensed to provide such services, if licensure is required by the jurisdiction where the care or services are performed; or
  - (iii) If licensure is not required:
    - 1. Is acting within the scope of his or her training and experience in providing such services; and
    - 2. Has for at least one year been customarily engaged in the business of providing such services for a daily or hourly charge.
- (b) **Adult Day Care.** Benefits for Adult Day Care are payable for Eligible Charges for care and services provided by an Adult Day Care Center.
- (c) **Homemaker Services.** Benefits for Homemaker Services are payable only for one day per calendar week (Sunday through Saturday) and only if covered care for Adult Day Care or Home Health Care was provided on at least two days during the same calendar week. In addition, benefits for Homemaker Services are only payable when such services are performed by a person who:
  - (i) Is employed by a Home Health Agency; or
  - (ii) If licensure is not required:
    - 1. Is acting within the scope of his or her training and experience in providing such services; and
    - 2. Has for at least one year been customarily engaged in the business of providing such services for a daily or hourly charge.
- (d) **Other Considerations.** You cannot receive benefits under the Home and Community-Based Care Benefit for any day on which We are also paying Nursing Home or Assisted Care Living Facility Benefits or other benefits because You are confined.

The Waiting Period applies to this Benefit. Any amounts We pay under this Benefit will be counted against the Policy Lifetime Maximum Benefit.

**d. Other Benefits Included in The Policy**

- (1) **Durable Medical Equipment Benefit.** We will pay the charges You incur to purchase or rent Durable Medical Equipment, up to the Durable Medical Equipment Lifetime Maximum Benefit, provided that the Durable Medical Equipment must be prescribed in Your Plan of Care; and
  - (a) Be first purchased or rented after the Policy Effective Date.
  - (b) The Durable Medical Equipment must enable You to perform any of the Activities of Daily Living and allow You to remain in Your home for an expected period of at least 90 days after the purchase or rental; and



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- (c) The Durable Medical Equipment must not materially increase the value of Your home or residence.

The Waiting Period does not apply to the Durable Medical Equipment Benefit. Any benefits We pay under this Benefit will not be considered daily benefits. **(This benefit is not available in the Nursing Home and Assisted Care Living Facility Only Insurance Policy.)**

- (2) **Care Coordinator's Services.** Your use of Our Care Coordinator's Services is voluntary. If You request to use Our Care Coordinator's Services, We will pay the Care Coordinator's charges to prescribe a written Plan of Care for You and a Chronically Ill Individual certification for You. If You elect to provide Us with a written Plan of Care and a Chronically Ill Individual certification, at Your expense, from a Licensed Health Care Practitioner of Your choice instead of from Our Care Coordinator, We will evaluate Your claim and pay benefits in accordance with the Policy's provisions.

- (a) While You are following the Plan of Care prescribed for You by Our Care Coordinator, We will also pay:

- (i) The annual certification charge of Our Care Coordinator to verify if You remain a Chronically Ill Individual and to prescribe a current written Plan of Care for You at least annually during the pendency of the claim; and
- (ii) Our Care Coordinator's charges to coordinate the services You receive under Your Plan of Care.

There is no Waiting Period to use Our Care Coordinator, and the amounts We pay Our Care Coordinator do not count against Your Policy Lifetime Maximum Benefit. You must, however, satisfy the applicable Waiting Period before We will pay benefits for any care or services Our Care Coordinator coordinates, and the benefits We pay will count against the Policy Lifetime Maximum Benefit as provided in each Benefit.

- (b) **Advantages of Using Our Care Coordinator.** While You are following the Plan of Care prescribed by Our Care Coordinator, We will also enhance Your Home and Community-Based Care Benefit as follows: **(This benefit is not available in the Nursing Home and Assisted Care Living Facility Only Insurance Policy.)**
  - (i) We will reduce the Waiting Period that must be satisfied before the Home and Community-Based Care benefits are payable to 20 days of service. The full Waiting Period must be satisfied before benefits other than Home and Community-Based Care are payable.
  - (ii) We will determine Your Home and Community-Based Care benefits on a monthly, rather than a daily basis. This means that We will pay the Eligible Charges You incur for Home and Community-Based Care benefits in any calendar month, up to 31 times the Home and Community Based Care Maximum Daily Benefit shown on the Schedule of Benefits.



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- (iii) We will pay a benefit for each day on which You receive at least four (4) hours of Informal Care and on which no other covered services are provided. We will pay:
  - 1. An Informal Care daily indemnity benefit of 50% of the Home and Community-Based Care Maximum Daily Benefit; up to
  - 2. A lifetime maximum of 365 days while Your coverage is in force.
  - 3. You do not have to meet the Waiting Period before We will pay benefits under this Benefit, and the days for which We pay benefits under this Benefit do not count toward satisfying the Waiting Period. The benefits that We pay for Informal Care count against the Policy Lifetime Maximum Benefit.

- (3) **Informal Caregiver Training Benefit.** We will pay the cost of training a person to provide You with Informal Care in Your residence; up to a lifetime maximum of 5 times the Nursing Home Maximum Daily Benefit, provided that:
  - (a) The training must be prescribed in Your Plan of Care;
  - (b) The training cannot be received while You are confined in a hospital, Nursing Home or an Assisted Care Living Facility, unless it is expected that You will return home where the person that is receiving the training can care for You; and
  - (c) We will not pay any benefits to train an individual who will be providing care other than Informal Care for You.

You do not have to meet the Waiting Period to use this Benefit. The benefits We pay under this Benefit are not considered a daily benefit, and days on which any person is being trained under this Benefit do not count toward the Waiting Period.

- (4) **Respite Care Benefit.** We will pay a benefit for each day You receive care, up to a maximum of 21 days per calendar year, to allow those caring for You at home to get temporary relief (for example, for a holiday, vacation, or emergency).
  - (a) For each day that You receive care and are confined in a Nursing Home or an Assisted Care Living Facility, We will pay the Eligible Charges of the Nursing Home or Assisted Care Living Facility, up to the Nursing Home Maximum Daily Benefit.
  - (b) For each day that You receive Home and Community-Based Care, We will pay the Eligible Charges for Home and Community-Based Care, up to the Home and Community-Based Care Maximum Daily Benefit.

You do not have to meet the Waiting Period before We will pay benefits under this Benefit, and the days for which We pay benefits under this Benefit do not count toward satisfying the Waiting Period.

- (5) **Hospice Care Benefit.** If You become Terminally Ill, for each day You receive care provided by a Hospice, We will pay:
  - (a) The Eligible Charges of the Hospice; up to
  - (b) The Nursing Home Maximum Daily Benefit amount.
  - (c) Provided that You meet all of the requirements of the Eligibility For The Payment Of Benefits provision of the Policy.

The Waiting Period does not apply to this Benefit, and the days on which We pay benefits under this Benefit do not count toward satisfying the Waiting Period.



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- (6) **World Wide Coverage Benefit.** If You become eligible for benefits while outside the United States or its territories, the Policy will pay its benefits in accordance with its terms for Eligible Charges You incur for covered services received outside the United States or its territories, up to a lifetime maximum of 100 times the Nursing Home Maximum Daily Benefit.
- (7) **Alternate Plan of Care Benefit.** Once You have met all of the conditions of the Eligibility For The Payment Of Benefits, You may request an Alternate Plan of Care. If We agree, We will pay benefits in accordance with the Alternate Plan of Care. The following additional terms apply under this Benefit:
  - (a) Except as We expressly agree in the Alternate Plan of Care, Your rights and Ours will be governed by all of the Policy terms;
  - (b) All of the benefits We agree to pay under the Alternate Plan of Care must be for Qualified Long-Term Care Services as defined in Internal Revenue Code Section 7702B(c); and
  - (c) We may agree with You only for a set period of time (for example, one year). At the end of that period of time, the Alternate Plan of Care will end unless We agree with You to renew it. You may terminate an Alternate Plan of Care at any time, by giving Us at least (15) days advance written notice of the termination.
  - (d) After an Alternate Plan of Care terminates, We will resume paying benefits for expenses You incur in accordance with all of the terms of the Policy.
  - (e) Alternate Plans of Care are necessarily unique to each insured, and We reserve the right to decline to agree to any such request, or to any proposed term of an Alternate Plan of Care, but We will consider all requests for an Alternate Plan of Care on a non-discriminatory basis.
- (8) **Waiver of Premium Benefit.** After You have satisfied the Waiting Period and are receiving benefits under the Policy, the premium payments which become due will be waived. You do not have to pay any premium payments until You are no longer receiving benefits. If Your premium payment mode is other than monthly, Your premium payment mode will be changed to monthly. If Your premium payment mode is other than monthly when You begin to actually receive benefits, any premium which You have already paid for any coverage during the period for which premiums are waived will be returned to You.
- (9) **Paid-Up Benefit.** The Policy will become paid-up and no further premium will be required to keep the Policy in force for the remainder of Your lifetime if Your coverage under the Policy remains continuously in force during Your lifetime until the later of either:
  - (a) Your Policy Anniversary next following Your 95th birthday; or
  - (b) Your 20th Policy Anniversary; and
  - (c) Provided that no benefit payments have been paid or are payable for losses incurred during that time.
- (10) **Return of Premium Benefit.** Upon Your death We will pay to Your estate all the premiums You have paid for the Policy, without interest, if Your coverage under the Policy remains continuously in force during Your lifetime until the later of either:
  - (a) Your Policy Anniversary next following Your 100th birthday; or
  - (b) Your 25th Policy Anniversary; and
  - (c) Provided that no benefit payments have been paid or are payable for losses incurred during that time.



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- (11) **Restoration Benefit.** For each complete year following Your recovery from a loss for which benefits have been paid under the Policy, We will add to Your Policy Lifetime Maximum Benefit 100 times the Nursing Home Maximum Daily Benefit. The Policy Lifetime Maximum Benefit will never be greater than it would have been if no benefits had been payable under the Policy. Only Your Policy Lifetime Maximum Benefit is affected by this Benefit. Any other Limitations and Exclusions on individual benefit payments contained in the Policy remain unaffected by this provision.
- (12) **Waiting Period Payback Benefit.** If You have satisfied the Waiting Period and received benefit payments under the Policy, one year after Your complete recovery You will have the option to claim the following additional benefit:
- (a) We will pay benefits for the losses You incurred during Your Waiting Period as though the Waiting Period had been satisfied provided that:
    - (i) One year has elapsed since Your recovery from the loss for which benefits have been paid under the Policy during which time period You have paid premium for the Policy;
    - (ii) You have not qualified for any benefit payments under the Policy; and
    - (iii) The Policy was continuously in force during Your lifetime.
  - (b) If You elect to receive this benefit, upon payment for losses You incurred during the Waiting Period, each day for which You receive a payment will be added back to the Waiting Period that must be satisfied before any future benefit payments will be made.
- (13) **Optional Benefits.** In addition to the Optional Riders described in the Relationship of Cost of Care and Benefits provision below, the following are optional benefits that You may select and which will be provided at an additional premium cost:
- (a) **Shared Care Rider.** This optional Rider can be selected when both spouses have identical long-term care insurance policies in force with New York Life Insurance Company with the same Policy Effective Dates. If both policies are in force when one of the insured spouse's Policy Lifetime Maximum Benefit is reached, additional benefits will be payable under that insured's policy up to the Shared Care Maximum Benefit. The Shared Care Maximum Benefit of one spouse will be reduced by any benefits previously paid for the other spouse under the Shared Care Rider attached to that person's policy. This optional rider has additional requirements to keep this Rider in force that are described in the termination section of the Rider.
  - (b) **Couples Additional Benefit Rider.** This optional Rider can be selected when both spouses have identical long-term care insurance policies in force with New York Life Insurance Company with the same Policy Effective Dates. This optional Rider has additional requirements to keep this Rider in force that are described in the termination section of the Rider. Each of the following additional benefits will be payable while this Rider remains in force with respect to that additional benefit:
    - (i) **Spousal Premium Waiver Benefit.** This Benefit will waive the premiums for the Policy and any attached Riders for any period of time for which Your spouse's premiums are waived due to Waiver of Premium provision of the spouse's Policy. The waiver does not include unscheduled increases in coverage amounts or other changes to the Policy after Spousal Premium Waiver Benefits become payable.



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- (ii) **Spousal Waiting Period Benefit.** This Benefit will allow any day either You or Your spouse is eligible for benefits to count toward Your Waiting Period. Any day You and Your spouse are both eligible for benefits will count as two days toward Your Waiting Period.
  - (iii) **Survivorship Benefit.** This Benefit provides that if Your spouse dies after Your spouse's Policy has remained in effect for at least ten (10) years while this Benefit remains in force, then Your Policy, including any attached Riders, will become paid-up and no further premium payments will be required. This Benefit will terminate on the earliest of the following to occur:
    - 1. You become eligible for benefits under the Policy within the first ten (10) years it is in force;
    - 2. Your spouse becomes eligible for benefits under Your Spouse's Policy within the first ten (10) years it is in force; or
    - 3. The Couples Additional Benefit Rider terminates.
- e. **Eligibility for Payment of Benefits.**
- (1) You will be eligible for payment of benefits provided by the Policy when You:
    - (a) Are unable to perform without Substantial Assistance from another individual 2 or more of the Activities of Daily Living due to a loss in functional capacity which is expected to last at least 90 days; or
    - (b) Have suffered a Severe Cognitive Impairment such that You require Substantial Supervision to protect You from threats to health and safety; and
    - (c) Have been certified as a Chronically Ill Individual by a Licensed Health Care Practitioner within the past 12 months; and
    - (d) Have a written Plan of Care developed by a Licensed Health Care Practitioner that prescribes the types of care, services or supplies that You need; and
    - (e) Follow that Plan of Care; and
    - (f) Have met the Waiting Period.

You are considered to be able to perform an Activity of Daily Living if You are able to perform that activity with the aid of equipment, but without the Substantial Assistance of another person.

The Activities of Daily Living include Bathing, Continence, Dressing, Eating, Toileting, and Transferring.
  - (2) We will verify Your eligibility by performing or having Our representative, who will be a Licensed Health Care Practitioner, perform a physical examination of You as necessary during the pendency of Your claim.
  - (3) We will begin evaluating Your claim when We receive Your notice of claim, a Chronically Ill Individual certification, and a written Plan of Care.
  - (4) **Additional Considerations for Payment of Benefits:**
    - (a) No benefits are payable if an Exclusion or Limitation described in the Policy applies.
    - (b) The benefits We pay under the Policy will count toward the Policy Lifetime Maximum Benefit, except as expressly provided in a Benefit provision.
    - (c) The care and services for which You claim benefits must be prescribed in a written Plan of Care.
    - (d) The Policy must remain in force except as provided in the Extended Coverage Benefit.



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**7. LIMITATIONS AND EXCLUSIONS.**

- a. **Preexisting Conditions.** The Policy while it is in force will pay benefits for Eligible Charges that are the result of preexisting conditions.
- b. **Non-Eligible Facilities and Providers.** The Policy will not pay for Eligible Charges that are provided by facilities or providers that do not meet the requirements for that type facility or provider as described in the Policy.
- c. **Non-Eligible Levels of Care.** The Policy does not pay benefits for unlicensed providers, care or treatment provided by a family member except as specifically provided for in the Homemaker Services and Advantages of Using the Care Coordinator provisions of the Policy.
- d. **General Limitations and Exclusions.**
  - (1) Due to war, whether declared or undeclared;
  - (2) Due to attempted suicide, or any intentionally self-inflicted injury;
  - (3) As a result of voluntary participation in a riot or attempting to commit an assault or felony;
  - (4) For care received outside of the United States or its territories except as provided in the World Wide Coverage Benefit;
  - (5) Which would not be made in the absence of this insurance;
  - (6) For treatment of alcoholism and drug addiction unless the drug addiction was a result of the administration of drugs as part of the treatment by a *Physician*;
  - (7) For treatment provided in a government facility unless We are required by law to cover the charges;
  - (8) For treatment of an injury or sickness which would entitle You to benefits under any state or federal workers' compensation, employers' liability or occupational disease law;
  - (9) From family members (except as explicitly provided for Informal Care described under the Advantages of Using the Care Coordinator Benefit);
  - (10) For prescription drugs;
  - (11) To the extent that benefits are payable by Medicare or would be payable except for the application of a deductible or coinsurance amount except expenses which are reimbursable under Medicare only as a secondary payor;
  - (12) To the extent that benefits are payable under no-fault motor vehicle insurance benefits;
  - (13) For items of comfort such as toiletries, television rental, laundry charges, beauty and hair charges, or nursing home or assisted care living facility miscellaneous or ancillary charges beyond the daily charges for room and board, including therapy and any other items of comfort.
- e. **Specific Limitations and Exclusions.**
  - (1) **Overall Maximum Daily Benefit.** This is the maximum benefit payable in a single day for all benefits provided on that day. This benefit is modified when, under the provisions of the Policy, care and services are paid on a basis other than daily. For example, the Home and Community-Based Care Benefit will be paid on a monthly basis when using the Care Coordinator Benefit.
  - (2) **Policy Lifetime Maximum Benefit.** This is the maximum dollar amount that is payable by the Policy during the lifetime of the Policy.



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- (3) **Chronically Ill Individual Certification.** This is a certification, at least once every 12 months, made by a Licensed Health Care Practitioner, certifying that You are a Chronically Ill Individual per the provisions of the Policy. No benefits are payable unless You are certified as a Chronically Ill Individual.
- (4) **Care Not Included in a Plan of Care.** The Policy does not pay benefits for care or services unless such care and services are prescribed in a written Plan of Care prepared by a Licensed Health Care Practitioner.
- (5) **Effect of Federal Law.** No benefits are payable under the Policy which would cause the Policy to fail to qualify as a Qualified Long-Term Care Insurance Contract under Sections 7702B(b) of the Internal Revenue Code.

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

8. **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 the Policy may be adjusted.
  - a. Unless You select the 5% Compound Annually for Life Inflation Protection Rider, the Simple Increases for Life Inflation Protection Rider, or the CPI-U Benefit Increase Offer Rider, (all described in item 13, "Offer of Inflation Protection,") the Policy benefit levels will not increase over time without additional underwriting or health screening.
  - b. **Requests for Additional Coverage.** You can at any time after the Policy is issued, conditioned on Your continued good health, apply for increases in daily benefit levels and/or increases in Lifetime Maximum Benefits. We will apply our then applicable underwriting standards to evaluate Your insurability for the increased coverage. You may be approved for the additional coverage You applied for, or You may be declined due to a deterioration of Your health. Your premium would increase based on Your attained age for the new coverage approved.
9. **TERMS UNDER WHICH THE POLICY OR CERTIFICATE MAY BE CONTINUED IN FORCE OR DISCONTINUED.**
  - a. **RENEWABILITY. THE POLICY IS GUARANTEED RENEWABLE.** This means You have the right, subject to the terms of the Policy, to continue the Policy as long as You pay premiums on time. New York Life cannot change any of the terms of the Policy on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY.
  - b. **WAIVER OF PREMIUM.** After You have satisfied the Waiting Period and are receiving benefits under the Policy, the premium payments which become due will be waived. This means that You would not have to pay premiums for the Policy until You are no longer receiving benefit payments. If Your premium payment mode is other than monthly Your premium payment mode will be changed to monthly. If Your premium payment mode is other than monthly when You begin to actually receive benefits, any premium which You have already paid for any coverage during the period for which premiums are waived will be returned to You.
  - c. **TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS.** **Changes in Premiums.** We guarantee that Your premium rate will not change for a minimum of 3 years, except when required by a change in Benefits. After that time, any premium change will be made only on a class basis and will take effect on a Policy Anniversary Date. We will notify You at least 45 days prior to any premium change.



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10. **ALZHEIMER’S DISEASE, OTHER ORGANIC BRAIN DISORDERS, AND BIOLOGICALLY BASED BRAIN DISEASES/SERIOUS MENTAL ILLNESS:** Care and services You receive in connection with Alzheimer’s Disease, Parkinson’s Disease, senility or irreversible dementia, in connection with any brain disorder with demonstrable organic cause or any other mental illnesses are covered under the Policy on the same basis as care and services You receive for any other reason. The Benefits and Eligibility for Payment of Benefits provisions described above apply.

The Eligible Charges for biologically based brain diseases/serious mental illness, including schizophrenia, paranoid and other psychotic disorders, bipolar disorders (mixed, manic and depressive); major depressive disorders (single episode or recurrent) and schizo-affective disorders (bipolar or depressive) are covered.

11. **PREMIUM**

a. **Premium Payment Modal Factors**

There is an additional cost if You decide to pay premiums other than on an annual basis or once per policy year. The total premium You will pay in a policy year, if You pay more frequently than annually, will be greater than if You pay on an annual basis or once per policy year. The total premium You will pay can be determined by looking at the chart below. For premium payments made more frequently than annually (semi-annually, quarterly, and monthly), multiply the annual premium by the following percentages:

<b>Payment Frequency</b>	<b>Percentage of Annual Premium</b>
Semi-annual:	51%
Quarterly:	26%
Monthly:	9%

For example, if the annual premium is \$1,000, and You elect to pay semi-annually, You will make two payments of \$510 (.51 X \$1,000 = \$510) during the policy year for a total of \$1,020 (\$510 + \$510) or \$20 more than if You paid on an annual basis or once per policy year.

b. **BENEFITS**

**PREMIUMS**

	<b>Applicant</b>	<b>Spouse</b>
Base Policy	_____	_____
Inflation Protection	_____	_____
Shared Care Rider	_____	_____
Couples Rider	_____	_____
Nonforfeiture Rider	_____	_____
Annual Premium for the Policy and Additional Benefits	_____*	_____*

\* The total annualized premium is based on New York Life’s current premium rates for insureds in Your underwriting class. If spouses, or 2 or more siblings who reside in the same home both are approved and become covered, the premiums will be discounted by the applicable marital/sibling discount for each. We will jointly bill spouses unless requested otherwise.



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The annual premium for the Policy with the benefits and premium payment frequency You selected is:

Applicant \$ \_\_\_\_\_ Spouse \$ \_\_\_\_\_

- c. **Grace Period.** The Policy has a 66 day grace period. This means that if a premium after the initial premium is not paid by the date it is due, it may be paid during the Grace Period. During the Grace Period the Policy will stay in effect. You and any person(s) designated by You will receive a termination notice 31 days after the Premium Due Date. Notice will be deemed to have been given five days after the date We mail it. You will have a total of 30 days from the date of receipt of the days after the date We mail it. You will have a total of 30 days from the date of receipt of the termination notice to pay all premiums that are due.

If the overdue premiums are not paid by the end of the Grace Period the Policy will terminate with a termination date of the last day of the Grace Period.

- 12. **TEXAS DEPARTMENT OF INSURANCE'S CONSUMER HELP LINE.** You may call the Texas Department of Insurance's consumer Help Line at 1-800-252-3439 for agent, company, and any other insurance information, and 1-800-599-SHOP to order publications related to long-term care coverage, and the Texas Department of Aging at 1-800-252-9420 to receive counseling regarding the purchase of long-term care or other health care coverage.

- 13. **DENIAL OF APPLICATION.** If We deny Your Application, We will refund any premium paid.

**14. OFFER OF INFLATION PROTECTION**

- a. **5% Compound Annually for Life Inflation Protection Rider.** If this optional Rider is selected, We will increase all of the Maximum Daily Benefit(s) and the Lifetime Maximum Benefit(s) on each Policy Anniversary Date while both the Policy and this Rider are in force. Each annual increase will be 5% of the Maximum Daily Benefits just prior to the increase. All Lifetime Maximum Benefits will be increased by the same percentage. When calculating the Lifetime Maximum Benefits, claims which have been paid will not be considered. Your coverage will increase without additional underwriting or health screening. Your premiums, however, will not increase as a result of the increases provided for by this optional rider.
- b. **Simple Increases Annually for Life Inflation Protection Rider.** If the Simple Increases Annually for Life Inflation Protection Rider is selected, We will increase all the Maximum Daily Benefit(s) and the Lifetime Maximum Benefit(s) on each Policy Anniversary Date while both the Policy and this Rider are in force. Each annual increase will be 5% or 6% (as You selected) of the original Maximum Daily Benefit(s) at the time this Rider became effective. All Lifetime Maximum Benefits will be increased by the same percentage. When calculating the Lifetime Maximum Benefits, claims that have been paid will not be considered. Your coverage will increase without additional underwriting or health screening; Your premiums, however, will not increase as a result of the increases provided for by this optional rider. You must positively reject the 5% Compound Annually for Life Inflation Protection Rider before You can select this optional rider.
- c. **Graphs Illustrating the Effects of Inflation Over Time on Policy Benefits.**



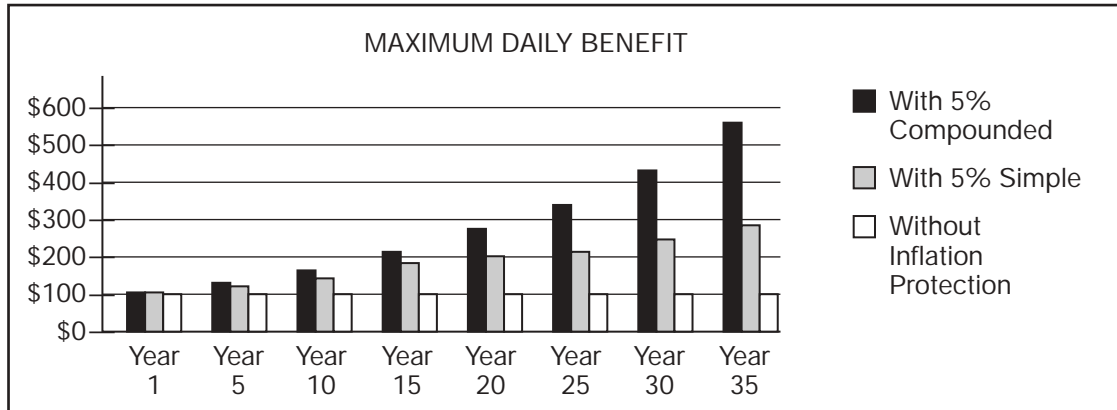
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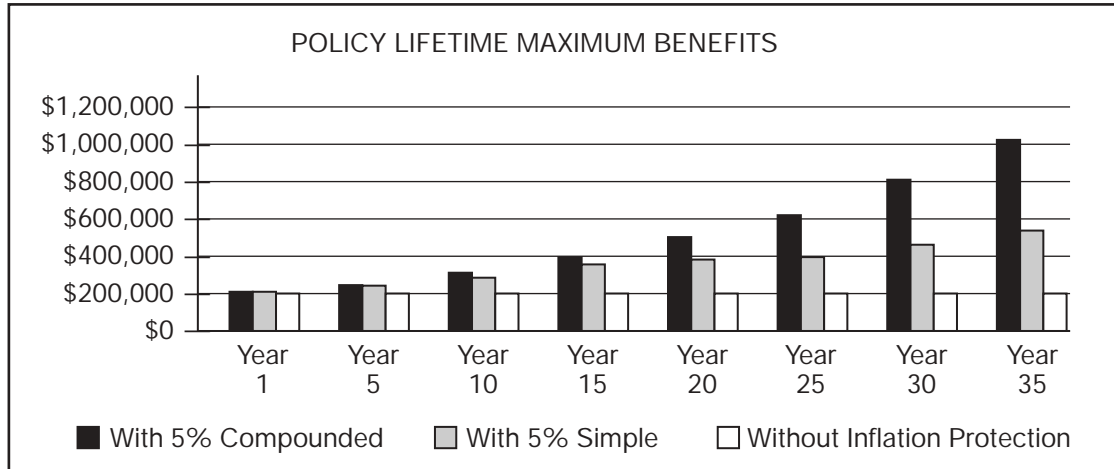
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- (1) The following graph compares the effect of the increases in maximum daily benefit due to the optional Inflation Protection Riders as well as the result of no increases over time.
- (2) The following graph compares the effect of the increases in the Lifetime Maximum



Benefits due to the optional Inflation Protection Riders as well as the result of no increases over time.

- d. **CPI-U Benefit Increase Offer Rider.** This optional Rider provides for annual offers to



increase Your Maximum Daily Benefit(s) and Lifetime Maximum Benefit(s) by a percentage. The increases will be effective on the first and each subsequent anniversary of the Rider Effective Date. The percentage increase is determined by subtracting one-hundred percent (100%) from the ratio, expressed as a percentage, of the national Consumer Price Index for all Urban Consumers (CPI-U) for all items as determined by the Bureau of Labor Statistics of the United States Department of Labor which was in effect for September of the calendar year immediately preceding the Rider Anniversary at which the option is offered, divided by the national CPI-U Index in effect for September of the second calendar year preceding the year of the offer. For example, assume that the national CPI-U Index published by the Bureau of Labor Statistics for September for 2000 was 173.7 and the national CPI-U Index published for September



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of 2001 was 178.3, the offer made under this rider to increase benefits to be effective in calendar year 2002 would be for an increase over current levels of coverage of  $(178.3/173.7) - 100\% = 2.65\%$ . Assuming that the current Facility Maximum Daily Benefit is \$100.00, the offer would be to increase the Facility Maximum Daily Benefit to \$102.65, along with a 2.65% increase in all other applicable maximum benefits. Your coverage will increase without additional underwriting or health screening. If the formula described above produces either a zero or negative percentage in September of the calendar year immediately preceding the Rider Anniversary, there will be no offer to increase coverage under this rider on the Rider Anniversary. Your coverage in effect on such Rider Anniversary will remain in effect and will not decrease as a result of a zero or negative percentage.

If You accept an annual offer to increase coverage under this rider, Your premiums will increase as a result of these increases, using Your age at issue to calculate the cost of the additional coverage amount. You must positively reject the 5% Compound Annually for Life Inflation Protection Rider before You can select this optional Rider.

**15. OFFER OF NONFORFEITURE BENEFITS.**

(a) **Optional Nonforfeiture Benefit Rider.** If this optional Rider is selected, this Rider will provide for a period of paid-up long-term care insurance coverage after the Policy lapses after having been in force for three (3) years. During this paid-up period, benefits will be payable in the same manner as if the Policy had remained in force, based on the Daily Maximum Benefit(s) in effect at the time of lapse. The Daily Maximum Benefit(s) will not increase after lapse. The total amount payable for claims after the Policy lapses will be limited to the nonforfeiture benefit amount. The nonforfeiture benefit amount will be the greater of:

- (1) One hundred percent (100%) of the total sum of all premiums paid while Your Policy and this Rider were in force, including the premiums paid prior to any changes in benefits; or
  - (2) Thirty (30) times the Nursing Home Maximum Daily Benefit at the time of lapse.
- But, the Nonforfeiture Benefit Amount will not exceed the remaining Policy Lifetime Maximum Benefit at the time Your Policy lapses and the provisions of this Rider become effective.

No benefit is payable under this optional Rider if the Policy lapses before it has been in effect for at least 3 years.

Example: \$1000 Annual Premium

Age	Total Premium Paid (No Claims)	Rider Premium	Shortened Benefit \$50/day	Shortened Benefit \$100/day
40	\$1,000	\$150	20 days	10 days
50	\$10,000	\$1,500	200 days	100 days
60	\$20,000	\$3,000	400 days	200 days
70	\$30,000	\$4,500	600 days	300 days
80	\$40,000	\$6,000	800 days	400 days



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- (b) **Contingent Nonforfeiture Benefit.** This Benefit is provided in the Policy only if the Optional Nonforfeiture Benefit is not selected at issue or is deleted after the Policy Effective Date.
- (1) The contingent nonforfeiture benefit will become effective if:
    - a. We increase the premium rates to a level which results in a substantial cumulative increase in the premiums for the Policy; and
    - b. The Policy lapses within 120 days of the due date of the premium so increased.
  - (2) The purchase of additional coverage will not be considered a premium rate increase. A reduction in benefits will not be considered a premium change.
  - (3) You will be notified at least forty-five (45) days prior to the due date of any premium reflecting a premium rate increase. On or before the effective date of a substantial premium increase that could trigger this contingent nonforfeiture benefit, We will:
    - a. Offer to reduce the benefits of the Policy so that the current premium payments are not increased;
    - b. Offer to convert the coverage to a paid-up status with a shortened benefit period based on the contingent nonforfeiture benefit amount. This option may be elected at any time during the 120-day period; and
    - c. Notify You that a lapse at any time during the 120-day period will be deemed to be an election of the offer to convert to paid-up coverage.
  - (4) If the contingent nonforfeiture benefit becomes effective, then benefits will:
    - a. Be payable under the Policy any time You qualify for benefits during the remainder of Your life;
    - b. Be payable subject to all the terms and conditions of the Policy;
    - c. Be based on all of the Maximum Daily Benefit(s) and Lifetime Maximum Benefit(s) in effect at the time of lapse and not increased after lapse; and
    - d. Not exceed the contingent nonforfeiture benefit amount described below.
  - (5) The contingent nonforfeiture benefit amount will be the greater of:
    - a. One hundred percent (100%) of the sum of all premiums paid, including the premiums paid prior to any changes in benefits; and
    - b. Thirty (30) times the Nursing Home Maximum Daily Benefit at the time of lapse.The contingent nonforfeiture benefit amount will not exceed the remaining Policy Lifetime Maximum Benefit at the time the Policy lapses and the Contingent Nonforfeiture Benefit becomes effective.

16. **DISCLOSURE REGARDING FEDERAL TAX TREATMENT OF LONG-TERM CARE INSURANCE POLICY.** The Policy is intended to be a Qualified Long-Term Care Insurance Contract under the Internal Revenue Code of 1986, Section 7702B(b). There may be tax consequences associated with the purchase of a qualified long-term care contract, such as tax deductibility of premiums and the exclusion from taxable income of benefits. You, as the prospective insured, are urged to consult with a qualified tax advisor.

We may amend the policy as necessary to meet the requirements of that law, any successor law, or any applicable regulations with Your written acceptance. If the Policy may be amended in more than one way to meet the foregoing requirements, We may determine how to best do so. If any such amendment affects the risk We assumed, We may make an equitable premium adjustment.



**OUTLINE OF COVERAGE – LONG-TERM CARE OR NURSING HOME  
AND ASSISTED LIVING FACILITY ONLY INSURANCE**



NEW YORK LIFE INSURANCE COMPANY, LONG-TERM CARE • 1-800-224-4582  
7501 N. Capital of Texas Hwy., Suite C-100, Austin, Texas 78731-1774

To be retained by the APPLICANT and SPOUSE (if Spouse is applying)

**17. ADDITIONAL FEATURES.**

- a. **Medical Underwriting for the Policy is based on Your Health Status.** Experienced underwriters will determine whether Your Application will be approved by reviewing Your Application, Eligibility Questions and Health Statement. The Physicians You list in Your Application may be contacted to provide information about Your health, including copies of Your medical records. We may also ask You additional questions by telephone, personal interview and/or written questionnaire. We have the right to request additional underwriting information, as well as to decline to cover individuals who, in our opinion, do not meet Our underwriting requirements. Your application will be reviewed and if a declination is appropriate, such declination will be on a non-discriminatory basis.
- b. **Third Party Designation.** You have the right to designate a person other than Yourself to receive the notice of termination described below. If You have made a third Party designation in Your application or make such designation at a later date, We will notify You and in addition we will notify the person that You designated 31 days after the Premium Due Date for which premiums were not paid. We assume You received the notice of termination 5 days after We mail such notice. We allow another 30 days for that premium to be paid subject to the Notice of Termination provision. You may designate a person as your Third Party Designee or change your Third Party Designation at any time by contacting Us.
- c. **Added Protection Against Lapse.** If Your Policy terminates because You did not pay the premium due to a *Severe Cognitive Impairment* or a loss of 2 or more Activities of Daily Living, We will reinstate Your Policy if You request reinstatement within 5 months of the date of termination and You meet both of the following:
  - (1) You furnish Us with satisfactory proof of a *Severe Cognitive Impairment* or a loss of 2 or more Activities of Daily Living; and
  - (2) You pay all the unpaid overdue premiums.This provision also applies to the named Insured being the person who has suffered the functional or cognitive incapacity.
- d. **Notice of Termination.** We will send You notice of termination 31 days after the Premium Due Date. If You have designated a person as a Third Party Designee, We will also send that person a notice of termination. Notice of termination will be deemed to be received five days after the date we mail such notice.



**New York Life Insurance Company**  
51 Madison Avenue  
New York, NY 10010

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Long-Term Care Insurance  
7501 N. Capital of Texas Highway, Suite C-100  
Austin, Texas 78731-1774

**For more information, please call**  
**1-800-224-4582**

**visit our web site at**  
**[www.newyorklife.com](http://www.newyorklife.com)**