wellabe®

Medico
Insurance Company
A Wellabe Company

Short-term Care insurance[1] underwriting guidelines

1. The Short-term Care product is called Home Health Care Insurance Policy in Iowa.

Introduction

Thank you for choosing Wellabe's Short-term Care insurance, which is an extension of our promise to help people prepare for tomorrow so they can live better today. This manual completely describes our Short-term Care insurance plan levels, so you can share the distinct advantages with clients and include necessary information during the application process. This ensures a smoother underwriting process — and quicker commission payments. We hope you have great success with our Short-term Care insurance solution. If you have additional questions, please contact us. We'll always be here.

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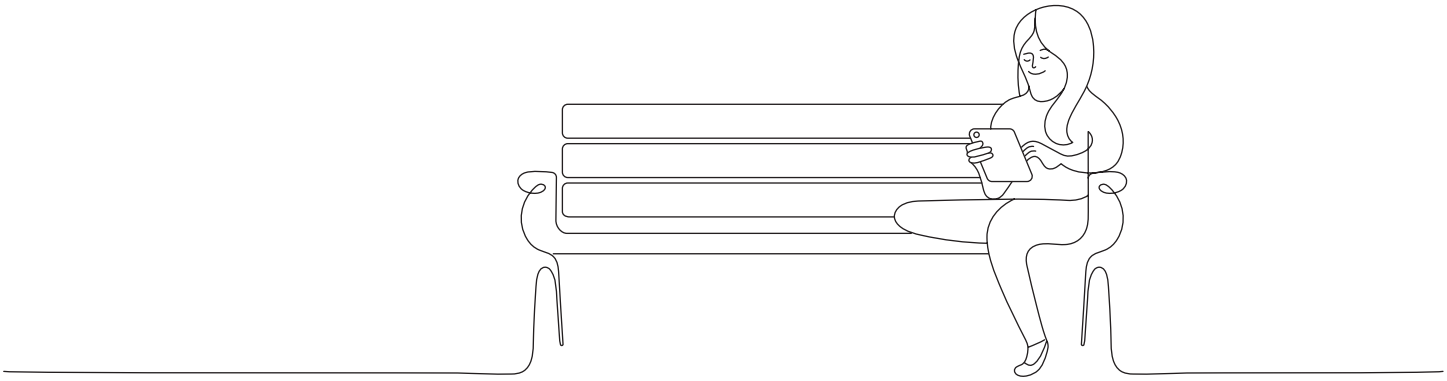

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Resources

YOUR PARTNERS FOR SERVING THE SENIOR MARKET

It's important for you to do business with a company that focuses on your clients' well-being — and yours. Wellabe's Short-term Care insurance has quality built in that benefits you and your clients. When you partner with Wellabe, you can expect:

Ease of doing business

Throughout the entire process — quoting, application submission, underwriting, commissions, and claims — we provide industry-leading technology and processes to make doing business with us simple and convenient.

Tools to grow your business

Wellabe provides sales training, enrollment tools, and an online ordering system that make requesting sales and marketing materials easier than ever. Log in to the Wellabe health agent portal at wellabe.com/signin to access all these helpful tools and resources.

Strong agent support

When you need personal assistance, count on our knowledgeable and friendly Agent Sales Support.

Outstanding customer service

Our Customer Success team is committed to making our customers feel valued and appreciated by assisting them at their time of need. Customers can also access forms and their policy information online via our customer portal by registering for an account at wellabe.com. And with the Wellabe: Be Well mobile app, they can check policy information from wherever they are.

MYENROLLER

Electronic application tool

We understand how important you are to our business and how you need industry-leading technology and tools to be successful. That's why we offer MyEnroller, our electronic quoting and application tool. MyEnroller is available for desktop computers, laptops, or tablets and requires an internet connection. Completing and submitting applications through MyEnroller is fast and easy because it:

- Takes you through the application process step by step and ensures the correct state application version and required forms are all submitted
- Allows for quick application processing time by bypassing the data entry process and automatically loading into our system
- Accepts e-signatures and voice authorization on applications

Visit apply.myenroller.com to get started.

QUICK QUOTE

Easily select benefit options to create a customized quote in seconds with no username and password requirements.

Visit apply.myenroller.com/quickquote to get started.

Statement of ethics

As an appointed representative, you have a responsibility to develop and maintain relationships between customers and Wellabe. You can only safeguard the integrity of these relationships by meeting the standards of professional and personal ethics.

Your duty is to help customers prepare for medical expenses through the benefit of Short-term Care insurance. Your customers trust you to act in their best interests. To honor the trust that your customers place in you, it is important your recommendations provide the best solutions to meet their needs.

To serve as a Wellabe agent, it's important that you behave professionally and courteously in your dealings with your fellow agents and customers. Please keep in mind the following:

- Adhere to all federal and state laws and regulatory requirements as they apply to the selling of Short-term Care insurance
- Be familiar with the products you sell
- Increase your knowledge and skills through continuing education
- Consider the suitability of the insurance product for the customer
- Keep confidential any information entrusted or obtained in the course of business
- Conduct all professional activities honestly and ethically
- Advise customers promptly of any error, noncompliance, or omission you know about or of which you have been given notice

In your role of providing care to customers, you serve in a unique position as liaison between the purchasers and suppliers of Short-term Care insurance. While meeting the obligations to Wellabe and the needs of the customer, balance is needed to avoid conflicts of interest. Please assist Wellabe in establishing an atmosphere of trust, cooperation, and harmony as we work together to care for customers.

Short-term Care insurance details

Wellabe's Short-term Care insurance provides benefits for home health care with the option to add coverage for skilled nursing care, assisted living services, and adult day care. All product levels are available on one application. If clients are between the ages of 40 and 89, they can apply for Short-term Care insurance. Their health can positively affect their premium and coverage — the better their health, the better the coverage.

Short-term Care insurance covers both medical and non-medical help. It's an indemnity-based plan, not a reimbursement. The full benefit is paid per day, no matter what service is received. Plan options are reflexive based on how clients answer the 11 health questions on the application.

Plan levels[2]

If clients can answer "No" to all health questions on the application, they can qualify for the **Essential Care Plus** plan level. It's a standard underwritten plan that gives clients the option to select a daily benefit up to $300 a day for up to 360 days of in-home health care with a 0- or 20-day elimination period. Benefits can be restored one time if the insured fully recovers from the qualified event and does not need care for 180 days. Clients can also elect up to $500 per day up to 360 days for a separate nursing facility care rider.

If clients answer "No" to the first six questions on the application, but answer "Yes" to any of the remaining questions, they can qualify for the **Essential Care** plan level. This plan has less restrictive underwriting and covers a daily benefit up to $150 a day for up to 360 days of in-home health care with a 20-day elimination period. Clients can also elect up to $250 per day up to 360 days for a separate nursing facility care rider.

If clients can answer "No" to the first question but answer "Yes" to any questions 2 through 6 and apply with another applicant that qualifies for Essential Care or Essential Care Plus, they can qualify for a **Limited Benefit Rider.** This rider gives clients the option to select a daily benefit up to $100 a day for up to 180 days of in-home health care with a 90-day elimination period. The Limited Benefit Rider is graded for the first two years of the policy.

Included benefits

All Essential Care plan levels feature:

- **Household improvement:** A $500 indemnity benefit is paid at policy level for home modifications that help the insured remain at home. Household improvement includes, but is not limited to, installing ramps, widening doorways or hallways, and modifying a bathroom.
- **Care coordination:** A $500 indemnity benefit is paid at policy level for help setting up a care plan when the need arises.

Those who qualify for the Limited Benefit Rider are eligible for these benefits.

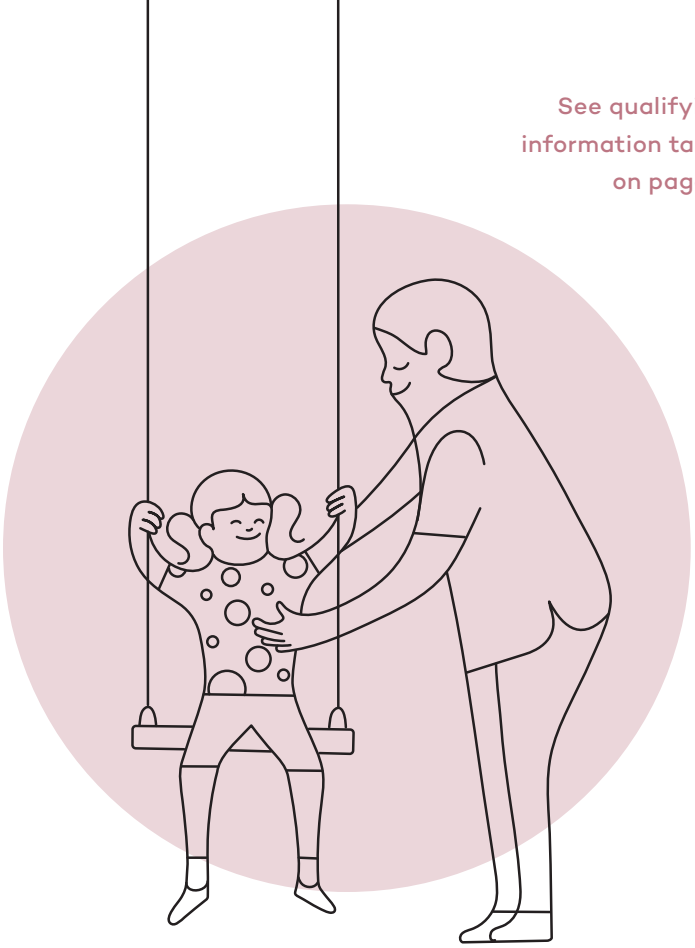
2. Varies by state.

Optional riders

You can choose from optional benefits for an additional cost:[2]

- The **Nursing Facility Care Benefit** allows clients to elect a daily benefit up to $500 per day for up to 360 additional days of care in a facility with an elimination period of 0 or 20 days. The rider also includes a 21-day bed reservation benefit that pays the daily amount to hold a care facility room during a hospital stay. The benefit is also eligible for a one-time restoration of benefit if the insured fully recovers and doesn't receive care for 180 days.[3] There's also a **Nursing Facility Care Rider with Inflation Protection** that increases the daily benefit amount by 5% of the original daily benefit on each policy anniversary.
- The **Inflation Protection Benefit rider** allows clients to add inflation protection to the base Home Health Care Benefit.[2] The Inflation Protection Benefit increases the daily benefit amount by 5% of the original daily benefit on each policy anniversary.
- The **Adult Day Care rider** pays $50 per visit for up to 20 visits to an adult day care setting. This benefit also eligible for a one-time restoration of benefit if the insured fully recovers and doesn't receive care for 180 days.[3]
- The **Return of Premium rider** allows a portion of the premium to be returned if the policy is terminated. This is a graded benefit based on the duration of the policy. After 10 years, 25% of premium is returned; 15 years, 35% of premium is returned; and 20 years, 50% of premium is returned. The payout is minus any claims paid at time of termination.

See qualifying information table on page 9



Valuable discounts[2]

Couples who apply together, save together. Spouses or any two people in the same household who are over 40 years old are eligible for a 7% discount. They can double their discount to 14% if both apply and are issued a Wellabe Short-term Care insurance policy or if one spouse already has a Wellabe Short-term Care insurance plan. If a policy is issued with a Limited Benefit Rider, then a 5% household discount will be applied. And if they also apply for or already have a Medicare Supplement policy with any Wellabe company, they're eligible for the 5% multiple Wellabe policy discount[4] that applies to the total premium.

We can also add that if multiple people are applying for the Short-term Care insurance only one needs to have a Medicare Supplement policy.

3. The restoration of benefits is only available at the Essential Care Plus plan level.
4. Insurance products are underwritten by Wellabe companies: Medico® Insurance Company, Medico® Corp Life Insurance Company, Medico® Life and Health Insurance Company, American Republic® Insurance Company, American Republic® Corp Insurance Company, and Great Western Insurance Company.

Completing the application

Applications must be submitted through MyEnroller. The application and any applicable forms should be completed in their entirety to prevent unnecessary processing delays. Up to two individuals who live in the same household can apply on the same application.

Requested effective date

- The requested effective date must be after the signed date of the application.
- You can select a future effective date up to 90 days out from the application signed date.

PART A: GENERAL INFORMATION

Applicant information

When filling in the personal data for the proposed insured(s), please complete all fields and pay special attention to the following:

- Confirm full legal names are spelled correctly; this is essential.
- Select the appropriate gender.
- Enter the entire residence address, including apartment, building, or unit number, if applicable.
- Confirm the best telephone number to reach the proposed insured for a phone interview, if applicable.
- Complete the question regarding tobacco usage within the past 24 months for each proposed insured.

Replacement information

The proposed insured(s) must complete all questions on the application regarding replacements. If the answers indicate that the policy will replace an existing policy, a replacement form may be required to be completed based on state regulations. In these states, the form will be provided at the time of submission in MyEnroller. This form must be completed in its entirety, including the required list of each policy or contract proposed to be replaced.

A copy of the replacement form must be left with the proposed owner. Since the application has been completed electronically, ensure that the proposed insured understands how he or she will be provided a copy of the form.

PART B: MEDICAL INFORMATION

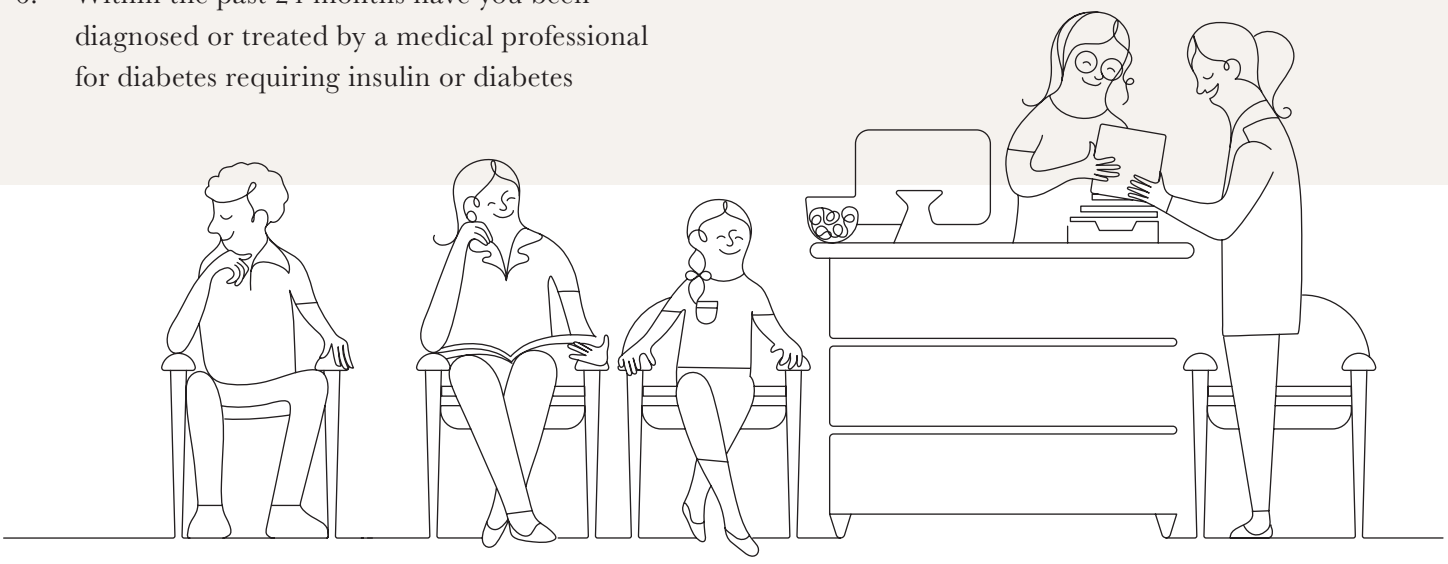
Qualifying information

Answers to the health questions should be provided by the proposed insured(s). If you're unclear which plan the applicant(s) qualifies for, use this quick reference:

Health question	Applicant answer	Applicant eligibility
1	Yes	Ineligible to apply
1	No	Continue to questions 2–6
2–6	Yes	Eligible for Limited Benefit Rider only if other applicant answers "no" to 2–6. If both applicants answer any question 2–6 as "yes," then neither are eligible to apply.
2–6	No	Continue to questions 7–11
7–11	Yes	Eligible to apply for Essential Care plan
7–11	No	Eligible to apply for Essential Care Plus plan

Health questions are as follows:

1. Are you currently confined or receiving assistance, or had a medical professional advise you need assistance or supervision for a cognitive impairment or to perform daily activities such as eating, bathing, dressing, toileting, transferring, or maintaining continence?
2. Within the past 6 months have you needed the assistance of a walker, wheelchair, multi-pronged cane, stair-lift, chairlift, motorized cart, hospital bed, or oxygen?
3. Within the past 6 months been confined or had any medical professional recommend that you be confined to a rehabilitation facility, nursing facility, or assisted living facility; or have you received home health-care services?
4. Within the past 24 months have you been diagnosed or treated by a medical professional for Parkinson's disease, any disease or disorder of the nervous system, senile dementia, Alzheimer's disease, psychotic disorders, or memory loss or been diagnosed with or treated for alcohol or substance abuse?
5. Within the past 24 months have you been diagnosed or treated by a medical professional for Lou Gehrig's disease (ALS), moto neuron disease, Huntington's chorea, multiple sclerosis, paralysis, or amputation of a limb due to disease?
6. Within the past 24 months have you been diagnosed or treated by a medical professional for diabetes requiring insulin or diabetes with complications or in combination with a prior diagnosis including but not limited to retinopathy, neuropathy, stroke/TIA, heart disease or disorder, kidney disease, any circulatory disease that affects the heart and/or blood vessels, skin ulcer, diabetic coma, or insulin shock?
7. Within the past 24 months have you been diagnosed or treated by a medical professional as having internal cancer or metastatic cancer?
8. Within the past 24 months have you been diagnosed or treated by a medical professional for kidney disease requiring dialysis; liver disease, including cirrhosis or hepatitis C; emphysema; or chronic lung disease (COPD)?
9. Within the past 24 months have you been diagnosed or treated by a medical professional for heart attack, stroke, transient ischemic attack (TIA) or mini-stroke, congestive heart failure, or received any procedure to improve circulation?
10. Within the past 24 months have you had one or more fractures as a result of osteoporosis?
11. Within the past 10 years have you been diagnosed or treated by a medical professional as having Acquired Immune Deficiency Syndrome (AIDS), AIDS-Related Complex (ARC), or Human Immunodeficiency Virus (HIV) infection?[5]



5. Language may vary by state.

Height and weight of the proposed insured(s) is also required. If height and weight are outside the limits of the following build chart, then the applicant is not eligible for coverage.

Height	Minimum weight	Maximum weight
4'2"	58	186
4'3"	61	190
4'4"	64	194
4'5"	67	198
4'6"	70	202
4'7"	73	206
4'8"	76	210
4'9"	79	214
4'10"	82	218
4'11"	85	222
5'0"	88	226
5'1"	91	230
5'2"	94	234
5'3"	97	239
5'4"	100	244
5'5"	103	249
5'6"	106	254
5'7"	109	259
5'8"	112	264
5'9"	115	269

Height	Minimum weight	Maximum weight
5'10"	118	274
5'11"	122	279
6'0"	126	285
6'1"	130	291
6'2"	134	297
6'3"	138	303
6'4"	142	309
6'5"	146	315
6'6"	150	323
6'7"	154	331
6'8"	158	339
6'9"	162	347
6'10"	166	355
6'11"	170	363
7'0"	174	372
7'1"	178	380
7'2"	182	388
7'3"	186	396
7'4"	190	402

Physician information

The proposed insured's primary care physician should be listed. If the proposed insured(s) does not have a primary care physician, Wellabe will accept a clinic in lieu of a physician. If a clinic is listed, the proposed insured must have visited the clinic at least twice in the last two years. The proposed insured may not list a hospital, urgent care, or emergency care facility.

Prescription information

Applicants must answer the question regarding prescription medications taken in the last 24 months for the proposed insured(s). Applicants will have the option of including detailed prescription information. If prescription information is provided, then all applicable fields in MyEnroller will be required, including name, dosage, quantity taken, frequency, diagnosis/condition and start date. A prescription and medical history check will still be completed at time of application.

Signatures and legal designations

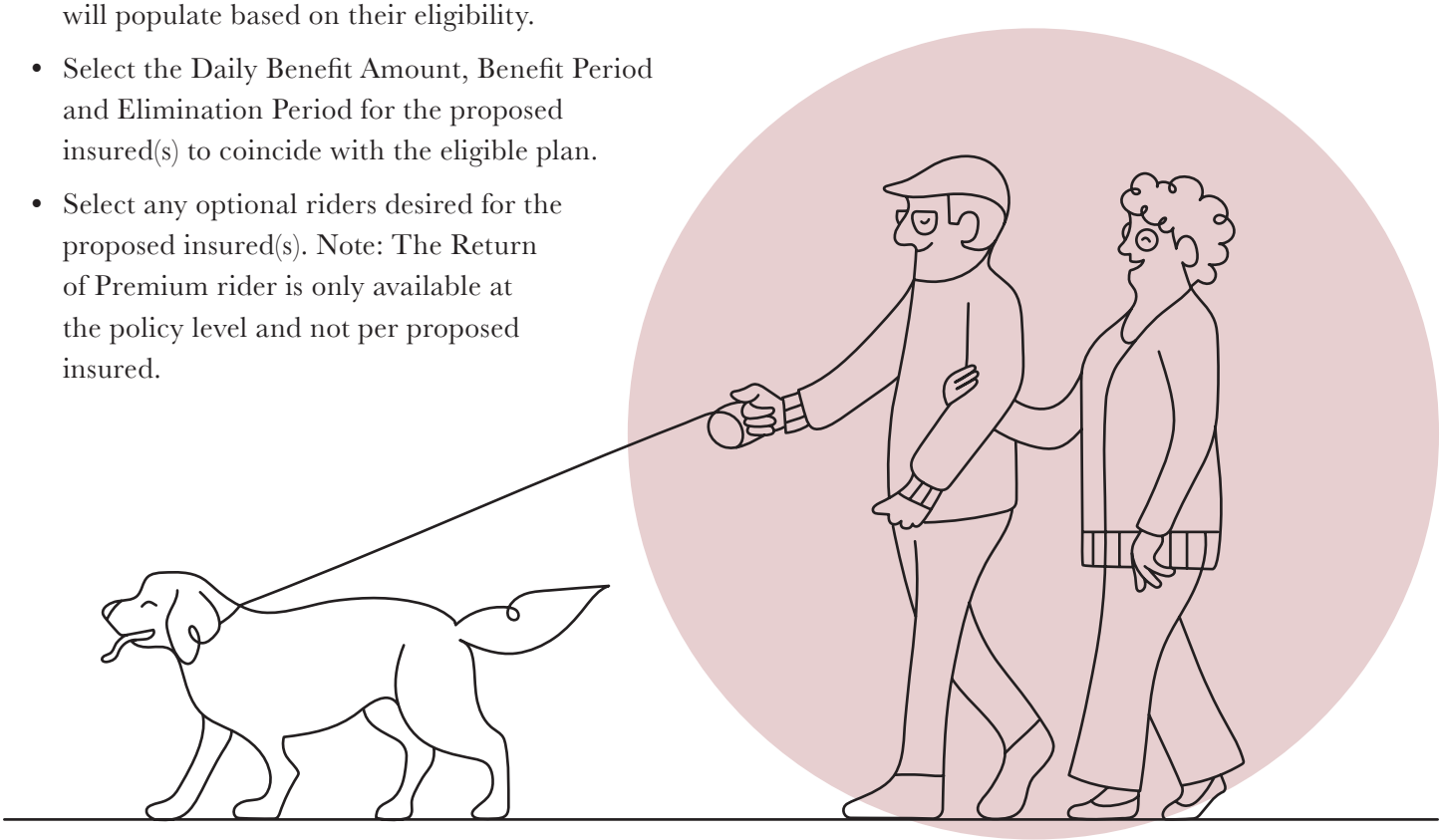
Each proposed insured must complete their own signature. A power of attorney (POA), guardian, or conservator may sign on the proposed insured's behalf, but all proper paperwork must be submitted at the time of application (e.g., durable and medical power of attorney, guardianship papers, conservatorship papers, etc.). Since Wellabe will need to review the paperwork, instant decisioning will not be available for attorney-in-fact signatures.

It is important to read and confirm the paperwork submitted authorizes the person to purchase insurance and to release the proposed insured's medical information. Do not accept a document just because it says POA, guardianship, or conservatorship.

The POA, guardianship, or conservatorship should e-sign on the insured's signature line. Make sure the attorney-in-fact uses the proper signature format as stated.

PART C: BENEFIT OPTIONS

- The plan available for the proposed insured(s) will populate based on their eligibility.
- Select the Daily Benefit Amount, Benefit Period and Elimination Period for the proposed insured(s) to coincide with the eligible plan.
- Select any optional riders desired for the proposed insured(s). Note: The Return of Premium rider is only available at the policy level and not per proposed insured.



Underwriting requirements

All applications are subject to medical underwriting. Wellabe utilizes advanced technology and prescription and medical data history to reduce underwriting times. An instant decision may be provided within minutes of application submission.

If the proposed insured qualifies for the plan they selected, an approval message is presented via MyEnroller.

If an instant decision cannot be provided, the application will be sent to the underwriting team for additional review. You and/or the proposed insured(s) may be contacted for additional information. The following information can be used to determine eligibility.

Application for insurance

Answers provided on the application by the proposed insured will be reviewed to determine whether additional information is needed to make a final decision.

Note: Answering "No" to the medical questions on the application does not ensure an automatic approval for the plan selected.

Prescription and medical history

A review of the proposed insured's prescription and medical history is done when the application is submitted. Information obtained will be used to determine eligibility for coverage. The issued reports contain medication names, dosage, frequency, medical diagnoses, testing, treatment, and physician's information.

Claim history

Any claim history the proposed insured has with our company will be reviewed by the underwriter. If clarification is needed, the underwriter will contact the proposed insured.

Telephone interview

When necessary, an underwriter will contact the proposed insured to clarify answers listed on the application or to obtain more medical information. This recorded interview will help the underwriter determine eligibility.

The agent should instruct the proposed insured to have their medication list available for the interview. The agent will be contacted for assistance if the underwriter is unable to contact the proposed insured. If an interview is needed and cannot be completed, the application will be closed.

Primary care physician

If the proposed insured has a primary care physician, the name must be listed.

Adjustments to coverage and premiums

If the proposed insured is deemed ineligible for the plan or rate class listed on the application, an underwriting offer or denial will be presented in

an email sent to the agent from underwriting. The eligible underwriting offer will be provided, and the agent will need to reselect benefits that are tailored to what options are available in accordance with the offered plan rules and limitations.

If no response to the underwriting offer is received, the application will be closed after 5 business days.

Restrictions on issuance

Wellabe reserves the right to refuse coverage on any individual at any time, including, but not limited to, any individual who has multiple policies that have been canceled, lapsed, or exceed the maximum allowable benefits.

Under no circumstances will a policy ever be issued on an individual who is incarcerated. Wellabe will also refuse to issue a policy when any party to the contract has known ties to terrorism, money laundering, or other illegal activities. Only individuals who are United States citizens, have permanent residency in the United States, or have Individual Taxpayer Identification Numbers (ITINs) may apply.

APPROPRIATE USE OF REPLACEMENTS

You will need to become familiar with the definition of replacements and all replacement laws effective in the states where you sell. In general, a replacement involves purchasing a new policy or contract while:

- Discontinuing the premiums on the current policy or contract.
- Surrendering, forfeiting, or terminating an existing policy; amending the existing policy to affect either a reduction in benefits, term, or coverage.

Best interest of proposed insured

Wellabe deems a replacement appropriate when it is in the best interest of the proposed insured. As the agent, it is your responsibility to conduct a thorough interview to ascertain whether a replacement is appropriate. If the proposed insured may engage in a replacement, you must provide them with appropriate information regarding the nature of the replacement to assist in determining whether it fully meets their specific, stated needs. Factors that may potentially deem a replacement appropriate include the following:

- The new policy or contract offers benefits that the current policy does not or cannot.
- The additional cost (if any) of the replacing policy is reasonable in relation to the additional benefits provided by the new policy.
- The replacing policy offers comparable benefits but at a lower overall cost.
- You must also be sure that the proposed insured is made aware of the consequences of replacement activity, including the loss of existing policy provisions, protections, rights, and benefits.

Monitoring

Wellabe has implemented a system for supervision and control regarding replacements. Undisclosed replacements are prohibited by Wellabe. If undisclosed replacements are discovered, there may be consequences. Be aware that if the State Department of Insurance investigates you for unreported or inappropriate replacements, your license may be subject to revocation or suspension, and you may face civil penalties.

Duplication of coverage

An applicant may have up to two active Short-term Care insurance policies with Wellabe, not to exceed the maximum allowable benefit amount.

Premiums

PREMIUM PAYMENTS

Wellabe accepts only preauthorized bank withdrawals and credit card payments, including Social Security and Supplemental Security Income prepaid Direct Express debit cards from Visa or Mastercard. This policy makes paying premiums easy for the proposed insured and helps improve the persistency of your business. The Premium Withdrawal Authorization form must be completed with the application so the ongoing premiums can be paid.

Initial premium

The initial premium paid by credit card or through automatic bank withdrawal will be drawn upon approval and activation of the policy or on the specified draft date as noted on the Premium Withdrawal Authorization form.

If an insured has requested a specified draft date, you have the ability in MyEnroller to select a specific date — from the 1st through the 28th — to withdraw the premium every month. If a specified draft date is not selected, the default draft date will be the day of the effective date. Premiums are drafted in the same month as the policy is effective; therefore, unless a future effective date is chosen, the first premium may draft immediately upon activation and the second premium will draft on the requested draft date for subsequent premiums.

Future preferred effective dates must be within 90 days of the written date. If a preferred effective date is not chosen, the policy will default to the written date.

Please be advised, all premium payments must be from a personal account from the applicant or payor. Wellabe does not allow premiums to be paid by employers or other third parties (e.g., foundations, associations, etc.). You are not authorized to collect cash premiums at any time. You may not loan funds to the customer for premium payments.

Renewal premiums

All renewal premiums must be paid using credit card or authorized bank withdrawal. The Premium Authorization Withdrawal form gives the payor the ability to select a specific date, from the 1st through the 28th, each month for us to withdraw premium. If a draft date is not selected, the default draft date will be the day of the effective date.

Past due/Grace period

On the renewal date, if no premium has been received or the modal premium fails for any reason, a reminder notice of premium due is sent to the payee and the policy will become past due. If no premium is received, the policy will lapse at the end of the grace period. All plans have a grace period when coverage will remain in effect. It is 31 days on all policies. See Customer Success processes below for more details.

SUBMITTING CORRECTIONS

Once an application has been submitted or a policy has been issued, all changes to the contract/policy must be submitted in writing and signed by the proposed insured(s).

Changes made on the application form

Draw a line through the incorrect information and have the proposed insured initial and date the changes. Do not white out incorrect information.

Policy delivery

Wellabe will mail every policy directly to the policyholder.

Free-look period

The free-look period begins when the policy is delivered to the policyholder.

Contestable and pre-existing period

Wellabe has the right to contest the policy within the first two years. If the policy is contested and we find the medical questions were incorrectly answered on the application according to the medical information we received, the premiums paid will be returned, and the policy will be rescinded. Medical records used to make this decision will only be disclosed in accordance with Wellabe's privacy policy and applicable laws.

Pre-existing conditions won't be covered for the first six months of the policy. This may vary by state.

Contact information

Mailing addresses

Medico Insurance Company,
a Wellabe Company
P.O. Box 10386
Des Moines, IA 50306-0386

Overnight mail address
1851 Miehe Drive
Grimes, IA 50111-6627

Phone numbers

Agent Sales Support
800-547-2401, option 3

Underwriting prescreening
800-626-2068, ext. 4443 or option 2

Agent Compensation
800-547-2401, ext. 4427

Customer Success
800-228-6080

Email

Agent Sales Support
healthagentsupport@wellabe.com

Prescreening
prescreen@wellabe.com

Agent Compensation
agentcompensation@wellabe.com

Websites

wellabe.com
wellabe.com/signin

6. AM Best has given Wellabe, Inc.'s six insurance company subsidiaries the Financial Strength Ratings of A (Excellent) with a stable outlook. For the latest Best's Credit Rating, visit ambest.com.

For agent use only; Not for consumer solicitation. This product is underwritten by Medico® Insurance Company, a Wellabe company. Each underwriting company is solely responsible for its own contractual and financial obligations. This brochure is intended to provide a general description of the policy benefits. Plans, policy provisions, and benefits may vary from state to state. Please see the policy for further details, including policy limitations and exclusions.

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wellabe®

be well

Solutions to help your customers be well prepared and well protected

Rated A (Excellent) by AM Best[6]