



JOHN HANCOCK LIFE INSURANCE COMPANY
Group Long-Term Care
PO Box 111, Boston, MA 02117

Tel. No. 1-800-711-9407 (from within the United States)
TTY 1-800-255-1808 for hearing impaired
1-617-572-0048 (from outside the United States)

Willamette University
Long-Term Care Insurance
Outline of Coverage

Policy No.: 30548-LTC Certificate Form No.: C-GFR(2004) OR

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

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

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

1. The policy is a group policy of insurance that is issued in the State of Oregon

2. PURPOSE OF OUTLINE OF COVERAGE

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

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

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

4. FEDERAL TAX CONSEQUENCES

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

5. TERMS UNDER WHICH WE MAY CHANGE PREMIUMS

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

6. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE

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

7. LONG-TERM CARE INSURANCE

Policies of this category are 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, in the community or in the home.

The policy provides reimbursement for actual charges incurred on any day for covered long-term care expenses up to the applicable Daily Benefit selected. An Elimination Period must be satisfied before most benefits are payable. The benefits described in the next item may be affected by the **LIMITATIONS AND EXCLUSIONS** item that follows it.

(Please note that reference to "your Daily Benefit" in this outline of coverage is the amount shown in the enrollment material for the option selected.)

8. BENEFITS PROVIDED THROUGH THE POLICY

(a) Subject to policy requirements and limitations, the policy provides reimbursement for actual charges incurred by you up to the applicable Daily Benefit for:

- ◆ Nursing Home room and board and care services;
- ◆ Alternate Care Facility room and board and care services;
- ◆ Home Health Agency services of its personnel;
- ◆ Custodial Care provided in an Adult Foster Home;
- ◆ Adult Day Care Center attendance; and
- ◆ Informal Care.

Except for amounts payable under the Stay at Home Benefit, the most we will pay for all services received for any day will not exceed your Daily Benefit.

Elimination Period means the number of days for which We will not pay benefits while you incur charges for Covered Services that would otherwise be payable under the Policy. Only one complete Elimination Period needs to be satisfied while your coverage is continuously in force.

The Elimination Period starts on the first day while you meet the Benefit Trigger on which you incur a charge for a Covered Service other than hospice or services under Stay At Home. No date may be counted more than once towards the satisfaction of your Elimination Period. The days used to satisfy your Elimination Period do not need to be consecutive and may be accumulated under separate claims.

A day on which you receive care or services due to a Pre-Existing Condition will not qualify as a Date of Service and will not count towards satisfaction of the Elimination Period until all the requirements of the Pre-Existing Condition Exclusion provision have been met.

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

The number of service days in your Elimination Period is shown in your enrollment material.

(b) Institutional Benefits:

- ◆ **Nursing Home Benefit.** We will pay the Nursing Home Benefit if you are confined in a Nursing Home or Hospice facility and receiving Nursing Care, Custodial Care, Hospice Care, or Respite Care. We will pay the actual charges incurred for confinement up to your Daily Benefit.
- ◆ **Alternate Care Facility Benefit.** We will pay the Alternate Care Facility Benefit if you are confined in an Alternate Care Facility and receiving Custodial Care. We will pay the actual daily charges incurred for confinement in the Alternate Care Facility up to your Daily Benefit.
- ◆ **Bed Hold Benefit.** If you have been confined in a Nursing Home or an Alternate Care Facility and your stay is interrupted for any reason while a benefit is payable under the policy, we will pay actual charges to hold your bed for a total of 30 days per calendar year. We pay no more than the amount that would have been payable for charges incurred daily had you remained confined in the reserving facility.

(c) Non-institutional Benefits:

- ◆ **Stay At Home Benefit.** We will pay up to the Stay At Home Lifetime Benefit Amount for Care Planning Visits, Home Modification, and/or certain services or expenses not otherwise covered. Except for Care Planning Visits, you must be living in your home to be eligible, and we must have determined that your Elimination Period has begun. The Stay at Home Lifetime Benefit is an amount equal to 30 times your Daily Benefit of which no more than (5) times your Daily Benefit will be payable for Caregiver Training. It does not reduce your Certificate Limit.
- ◆ **Community Based Professional Care Benefit.** We will pay up to your Daily Benefit if you are receiving Home Health Care, Adult Day Care, Hospice Care or Respite Care in your home, a rest home or in an Adult Day Care Center. We will pay the actual daily charges incurred up to your Daily Benefit.
- ◆ **Informal Care.** We will pay the Informal Care Benefit if you are eligible for payment of benefits and receiving Custodial Care or Homemaker Services. Care may be provided by an informal caregiver. A Calendar Year Limit applies and is shown in your enrollment material.

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

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

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

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

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

- ◆ You must satisfy your Elimination Period while your coverage is in effect. Limited exceptions were described in 8(a) above.
- ◆ You must receive services covered under the policy and, if the coverage is optional, it must have been selected by you on your application and approved by us. Furthermore, services must be specified in your Plan of Care.

- ◆ You must submit to us satisfactory written Proof of Claim.

Because the policy is intended to be tax-qualified under Federal law, You must provide Us with certification from a Licensed Health Care Practitioner that You are a Chronically Ill Individual. This written certification must be renewed and submitted to us every 12 months.

- (f) **Optional Benefits.** You may elect any of the optional benefits listed below, if eligible. You must pay an additional premium for any of the optional benefits elected.

- ◆ **Nonforfeiture Benefit.** After being in force at least three (3) years, if your coverage lapses because you have not paid the premium within the Grace Period, the full Daily Benefits will remain in effect with a reduced Certificate Limit benefit equal to the sum of the premiums you have paid, but not less than 30 times the Daily Benefit. In the event that you do not elect this benefit, your coverage will include the Contingent Nonforfeiture Benefit provision. Contingent Nonforfeiture applies only to lapses within 120 days of a substantial premium increase.

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

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

- (b) **CONTINUATION** - You may keep this insurance in force by paying the required premium when due as long as the group policy continues in force, you remain in an eligible class, and you have not exhausted your Certificate Limit. If your coverage under the policy ends, you may be entitled to continue your coverage.

Exhaustion of Certificate Limit, failure to pay premium and immediate group insurance replacement may alter continuation rights.

- (c) **WAIVER OF PREMIUM.** We will waive premium payments while you meet the Benefit Trigger once you have completed the Elimination Period. To keep your coverage in effect after you no longer meet the Benefit Trigger, you must resume premium payments on a timely basis.

10. LIMITATIONS AND EXCLUSIONS

(a) Limitations on Benefits

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

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

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

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

- ◆ Community-Based Professional Services are not provided in residential facilities like Nursing Homes or Alternate Care Facilities. They must be provided by someone who is not Immediate Family (except as described under **Exclusions** below).
- ◆ Informal Care Benefits are subject to the following limits:
 - Benefits payable for charges incurred on any day will not exceed the lesser of: the Informal Care Daily Benefit shown in the enrollment material for the option selected; and the charges incurred on that day.
 - No benefits will be payable for charges for Informal Care incurred during a calendar year after benefits totaling the Calendar Year Limit for Informal Care have become payable for those charges incurred during one year. The Calendar Year Limit is shown in the enrollment material for the option selected.
 - No benefit is payable under this coverage for any charge to the extent that a benefit is payable for that charge under the Community Based Professional Care Benefit.
 - The total of benefits payable for all charges incurred on any day under this coverage and under the Community Based Professional Care Benefit will not exceed your Daily Benefit.

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

- ◆ The policy contains a Coordination of Benefits provision that may reduce or eliminate the benefits otherwise payable under the policy with respect to benefits payable under another Plan.

(b) Exclusions

- ◆ Conditions resulting from the following are not eligible for coverage.
 - a. Your intentionally self-inflicted injury.
 - b. War, whether declared or not, or any act of war; or service in any armed forces or auxiliary units.
 - c. Your commission or attempt to commit a felony; your engaging in an illegal occupation; or participating in an insurrection or riot.
- ◆ The policy does not cover:
 - a. care, services or treatment specifically provided for detoxification or rehabilitation for alcohol or drug addiction; or
 - b. charges normally not made in the absence of insurance; or
 - c. except under the Informal Care Benefit, care, treatment or charges provided by a member of Your Immediate Family, unless
 - the family member is one of the following professionals -- a duly licensed registered nurse, licensed vocational nurse, licensed practical nurse, physical therapist, occupational therapist, speech therapist, respiratory therapist, licensed social worker, or registered dietitian; and
 - the family member is a regular employee of a Nursing Home, Alternate Care Facility, Adult Day Center or Home Health Care Agency that is providing the services; and
 - the organization receives the payment for the services; and
 - the family member receives no compensation other than the normal compensation for employees in his or her job category.
 - d. care, services, or supplies furnished by or covered as a benefit under a program of any government or its subdivisions or agencies, except as required by law and except:
 - a program established by the Federal government for its civilian employees;
 - Medicare; and
 - Medicaid (This means any state medical assistance program under Title XIX of the Social Security Act as amended from time to time).
 - e. any service or supply to the extent that charges for it are payable under Medicare, or would be payable but for the application of a deductible or coinsurance or co-payment amount under Medicare. This exclusion will not apply in those instances where Medicare is determined to be secondary payor under applicable law.
- ◆ No benefit is payable under the Policy for care received outside the United States, except as described in International Coverage.

◆ **Pre-Existing Condition Exclusion**

If, within the six (6) months after your Initial Coverage Effective Date, you need:

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

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

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

Pre-Existing Condition means any condition (illness, disease, injury or symptom) that, during the six (6) months just prior to your Initial Coverage Effective Date, causes you to:

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

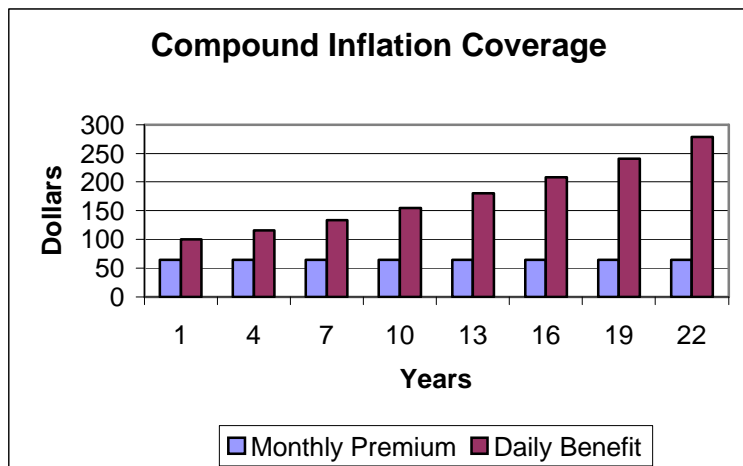
THE POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.

11. RELATIONSHIP OF COST OF CARE AND BENEFITS.

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

The Certificate contains an **Compound Inflation Coverage (CIC)** option. If selected, your Daily Benefit will increase annually by an amount equal to 5% of the Daily Benefit in effect during the prior policy year. The annual increase is automatic and will occur on each anniversary of the Policy Effective Date unless coverage is being continued in effect under a nonforfeiture benefit. The premium for Compound Inflation Coverage is included in the policy premium. Your premium will not change, except as described in the policy.

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

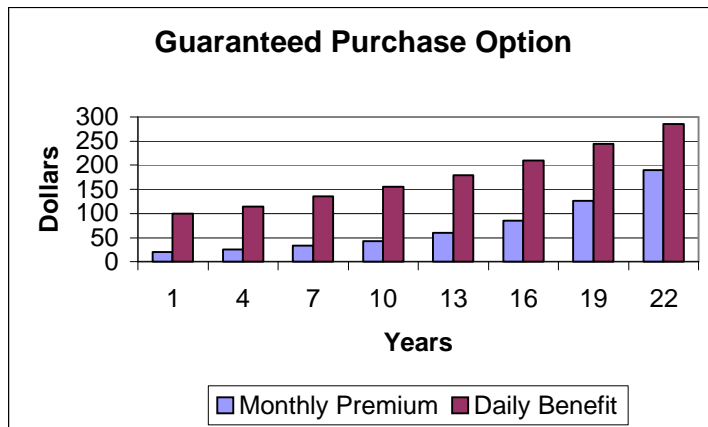


If you do not elect the Compound Inflation Coverage option, your coverage will contain an inflation adjustment provision that allows you the option to purchase additional amounts. The provision is called a **Guaranteed Purchase Option**. The additional daily amount will be not less than an amount that will provide an increase to the Daily Benefit of at least 5% of the value compounded annually over the applicable period. The increase is not available to you:

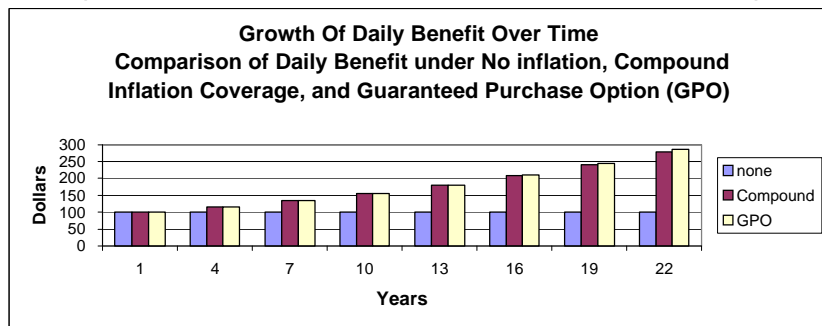
- ◆ while you meet the Benefit Trigger if you have declined an optional increase; or
- ◆ if your coverage is being continued in effect under a reduced paid-up Nonforfeiture benefit.

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

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



The chart below demonstrates the eventual difference in your Daily Benefit when you have No Inflation or accept no Inflation offers under Guaranteed Purchase Option versus when you have Compound Inflation Coverage or accept all Inflation Offers under Guaranteed Purchase Option.



12. ALZHEIMER’S DISEASE AND OTHER ORGANIC BRAIN DISORDERS

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

13. PREMIUM

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

14. ADDITIONAL FEATURES

- ◆ If your insurance is subject to Evidence of Insurability, it will be necessary for you to answer some medical questions on the application. It may also be necessary to obtain a copy of your medical history and to conduct a personal interview to determine if you are insurable. Based on the information received, we will determine if you are an insurable risk.
- ◆ **Return of Premium At Death Benefit** - Should your death occur while you are insured and at or before age 70, the plan will pay an amount equal to 100% of the premiums you have paid to date, minus the total of all benefits payable under the policy for charges you incurred.

There will be no return of premium if on the date of your death, your insurance is being continued in effect on a Nonforfeiture basis.

- ◆ **International Coverage.** The policy includes an International Coverage Benefit. We will pay benefits for Covered Services you receive while residing outside the United States under the International Coverage benefit. We will pay benefits up to 75% of the Daily Benefits selected. Under this benefit, the most we will pay for all services received on any day will not exceed 75% of your Daily Benefit. Some limitations and plan modifications will apply.
- ◆ **Contingent Nonforfeiture.** This protection is part of your coverage, unless you elected the Nonforfeiture Benefit. In the event that we increase rates by a substantial amount, we will provide you with the opportunity to pay the increased premium, decrease your benefits to a level supported by your current premium, or to exercise the Contingent Nonforfeiture option. Under the Contingent Nonforfeiture option, your coverage will remain in force with a reduced Certificate Limit equal to the sum you have paid or, if greater, 30 times your Daily Benefit you have selected. Daily Benefits would remain the same.

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