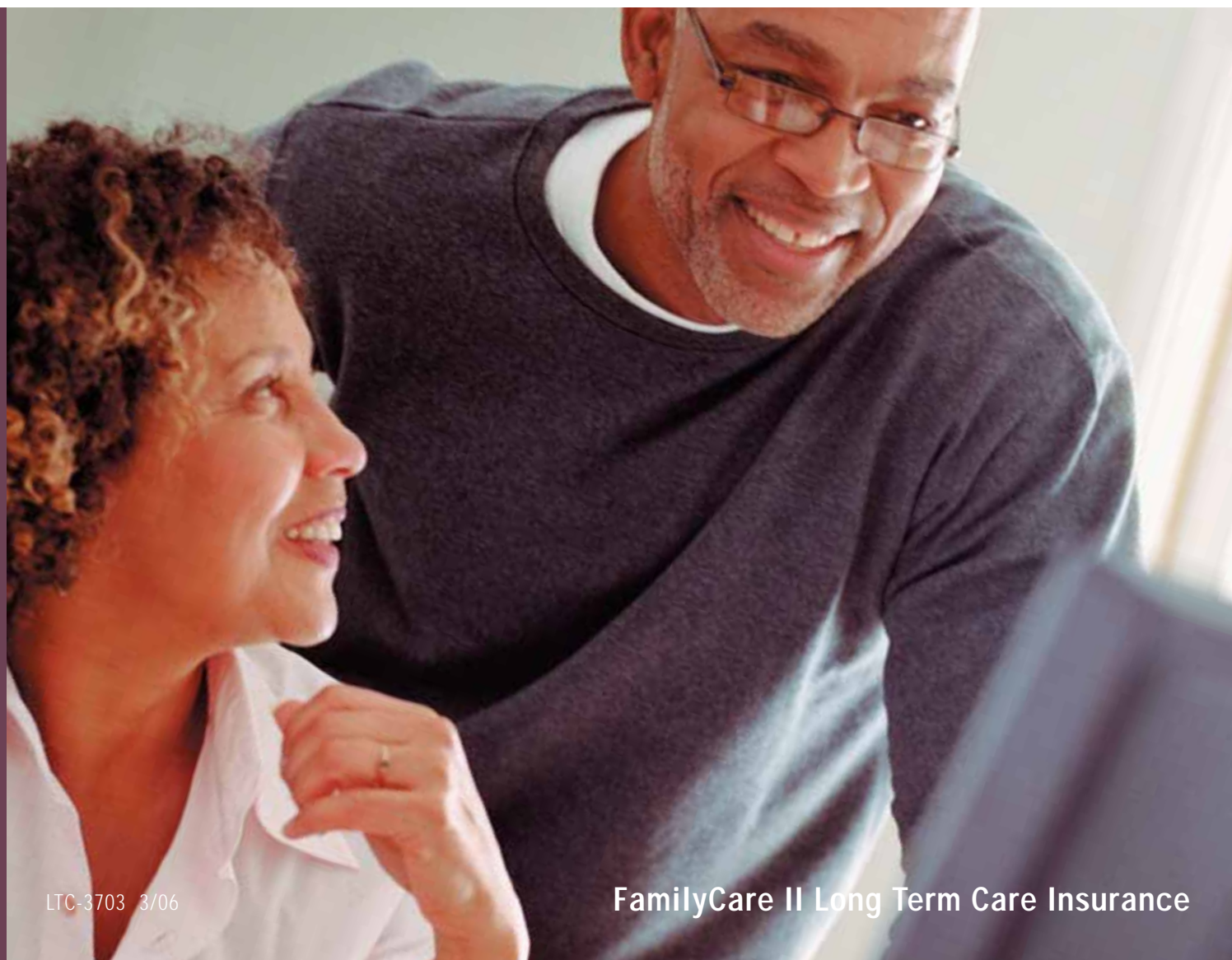




It's about quality of life. For you and your family.





## FamilyCare II: An innovative, affordable solution for you and your family.

Maintaining your independence and quality of life. It's what everyone wants. That's why more and more couples and families are incorporating long term care insurance (LTCI) into their financial plans. It enables you to help protect yourself and your assets from the high cost of long term care.

With John Hancock's innovative FamilyCare II Benefit,<sup>1</sup> a couple can provide for the long term care needs of both spouses with a single, affordable policy. What's more, two additional family members, such as parents or children, can be covered at the same time.

### The advantages of buying a FamilyCare II Long Term Care Insurance policy are numerous:

>	By covering a couple with a single policy, economies of scale translate into lower costs than two individual policies.
>	No other coverage allows multiple generations of a family to share a single LTCI policy.
>	Premiums are waived when one family member needs care.
>	<i>Legacy of Protection:</i> In the event of the death of a policyholder, the total benefit pool remains unchanged, but the premiums are reduced. The remaining family members effectively "inherit" the pool, ensuring that their benefits are protected.

1. FamilyCare II Benefit is offered under John Hancock's Custom Care II and is not available in CA, CT, LA, MD, NY, PA, and TX. Not available to ages 80–84.

# Long Term Care Insurance

## Real Life FamilyCare II Scenarios.<sup>2</sup>

### I. Affordable Protection for Couples

Richard and Mary are a married couple both 55, with three grown children. After many years of providing both financial and caregiving assistance for Mary's mother, they realize the importance of planning for their own long term care needs. Because they are still saving for retirement, they need a long term care insurance policy that will cover both of them and fit in their budget. Based on the advice of their insurance professional, Richard and Mary decide to purchase the FamilyCare II Benefit as an affordable alternative to two individual policies because it will save them more than \$1,000 per year. This enables them to share a single policy, while staying within their budget. And if one spouse dies, the other inherits the total pool at a lower premium.

### II. A Flexible Solution for Couples and Parents

John and Susan are in their mid-40s and have two children. John's parents, who are in their mid-60s, are active and live nearby. John and Susan have life insurance, some investments, and are saving as much as possible for their retirement and their children's college education. With both of them working, and with much of their savings directed toward other goals, they know that if John's parents were to require hands-on care or financial assistance, it would become a hardship for all. In planning for their own long term care needs, John and Susan decided to purchase the FamilyCare II Benefit and add his parents to the policy, providing protection for all four family members and saving over \$900 per year had each person purchased separately. And should John's parents not use the policy, the benefits can be passed to him and Susan.

### III. A Legacy of Protection for Parents and Children

Helen and Joseph are both 55 and have a 25-year-old married son. They are saving for retirement and have some investments. They have recently been interested in purchasing long term care insurance, but are concerned about buying something that they may never use. With John Hancock's FamilyCare II Benefit, Helen and Joseph can purchase long term care insurance for themselves and for a small extra cost (\$21.00 per month) add their son and his wife to their policy. If Helen and Joseph haven't used the policy benefits at the time of their death, it will be passed on to their son and his wife as a legacy of protection and their premium will be less than \$30 per month.

2. Scenarios are hypothetical situations.

## **More than financial support: care planning expertise, advice, and resources.**

FamilyCare II goes beyond the ordinary to provide a comprehensive care experience that benefits the person who needs care, while helping to alleviate the pressures on other family members. This includes:

- > a plan of care customized to your needs
- > access to a personal care advocate
- > informational support for your family
- > discounts to care providers nationwide
- > access to a professional care coordinator

## **Complete support when you need care.**

When the time comes to access your benefits, John Hancock's FamilyCare II makes things as easy as possible for you and your family. At no additional cost, you will receive:

### **Assistance from a Professional Care Coordinator<sup>3</sup>**

We'll provide you with an experienced care professional, independent of John Hancock, who will visit with you and your family to discuss your care needs and preferences.

### **Simple Claims Process**

Just contact us by phone to get started. Almost no paperwork is required.

### **Customized Plan of Care**

Your personal care coordinator will prepare a comprehensive plan of care for you, based on your — and your family's — preferences and needs.

### **Access to Discounts, Advice, and Information**

Through our exclusive *Advantage Provider Program*,<sup>4</sup> you will receive the *Customized Information Guide*, listing providers in your area appropriate for the kind of care you need. You'll also be assigned your own care advocate to contact anytime about providers and discounts available through this program.

3. Care Coordinator is voluntary.

4. Referred to as *Advantage List Program* in your long term care insurance policy. Discounts may be discontinued by the provider.



# The coverage you need, in the location of your choice.

## Care where you need it.

Whether you or your spouse need care early on, due to an unforeseen accident or illness, or later in life, John Hancock's FamilyCare II Benefit provides comprehensive coverage and support in many settings:

### Your Home

You can receive skilled services from a professional care provider like a nurse or a physical, occupational, or speech therapist. You can also receive help with health care tasks such as managing medications from a home health aide, an independent home health care provider, or from an informal caregiver.<sup>5</sup>

### Your Community

#### *Adult day care centers*

You will be covered for social and health-related services in an adult day care center.

#### *Hospice facilities*

You will be covered for end-of-life care, including support for your family.

### Facility Care

#### *Assisted living facilities (ALFs)*

You can receive care in a secure, home-like environment where individuals live independently.

#### *Nursing homes*

You will be covered for skilled and custodial care in nursing homes. This is primarily for people who need around-the-clock care.



5. Informal caregivers must be approved by a Licensed Health Care Provider.

## A broad spectrum of benefits.

The FamilyCare II Benefit covers you for skilled, intermediate, and custodial care received in any of the settings described previously.

### *Skilled and intermediate services include:*

Nursing care and physical, occupational, respiratory, and speech therapy from licensed professionals. Intermediate services are not received on a daily basis.

### *Custodial care includes:*

Help with day-to-day activities such as eating and dressing.

## Care when you need it.

You — or covered family members — are eligible to receive benefits when a licensed health care provider indicates that you will need:

Substantial help with at least two out of six activities of daily living (ADLs) for at least 90 days. ADLs include the following: eating, bathing, dressing, toileting, continence, or transferring.

OR

Substantial supervision due to Alzheimer's disease, brain injury, stroke, or other types of cognitive impairment.



## Designing a policy that's right for you.

Designing your FamilyCare II Benefit under the Custom Care II LTCI policy is easy. Simply choose from each of the following categories to build a policy that meets your family's specific needs.

### **Daily or Monthly Benefit Amount**

The amount of money available to cover your long term care needs on a daily or monthly basis, whether you receive care at home, in an assisted living facility, adult day care center, or a nursing home. If you know where you plan to live after you retire, you should factor in the cost of care in that area.

#### ***Your choices are:***

##### *Daily Benefit Options*

\$50<sup>6</sup>–\$500 per day (in \$10 increments).

##### *Monthly Benefit Options*

\$1,500<sup>6</sup>–\$15,000 per month (in \$100 increments).

### **Benefit Period**

This can be thought of as your “benefit multiplier.”

#### ***Your choices are:***

*4 years, 5 years, 6 years, or 10 years.*

### **Total Benefit — Your Total Pool of Money Available**

The Daily or Monthly Benefit amount and the Benefit Period combine to determine your Total Benefit: your personal “pool of money.” This is where your benefits are paid from.<sup>7</sup>

To determine your Total Benefit, just multiply your Daily or Monthly Benefit by your selected Benefit Period:

#### *Daily Benefit Example:*

*Daily Benefit x Benefit Period = Your Personal “Total Pool of Money”*

*\$150 Per Day x 4 Years (1,460 days) = \$219,000*

#### *Monthly Benefit Example:*

*Monthly Benefit x Benefit Period = Your Personal “Total Pool of Money”*

*\$4,500 Per Month x 4 Years (48 months) = \$216,000*

6. In WI, the minimum Daily Benefit is \$60 and minimum Monthly Benefit is \$1,800.

7. The maximum amount paid per day is the Daily Benefit amount. The maximum amount paid per month is the Monthly Benefit amount.



### Elimination Period<sup>8</sup> (Your Deductible)

The Elimination Period is like a “deductible,” meaning you will pay for the cost of your care for a limited period of time before the policy coverage begins.

#### ***Your choices are:***

*30 days,<sup>8</sup> 60 days,<sup>8</sup> 90 days, 180 days, or 365 days.*

Your “deductible” need only be satisfied once during the life of your policy. If you receive care at home one or more days per week, seven days in that week will be applied toward satisfying your “deductible.”

### Inflation Protection

Helps your benefits keep up with rising health care costs.

#### ***Your choices are:***

>	<i>5/5% Simple Inflation:<sup>9</sup> Each year, both your Daily or Monthly Benefit and your Total Pool of Money will increase by 5% on a simple basis.</i>
>	<i>5/3% Compound Inflation:<sup>10</sup> Each year, your Daily or Monthly Benefit will increase by 5% and your Total Pool of Money will increase by 3% on a compounded basis.</i>
>	<i>5/5% Compound Inflation: Each year, your Daily or Monthly Benefit and your Total Pool of Money will increase by 5% on a compounded basis.</i>



8. The 180- and 365-day Elimination Periods are not available in GA, SD, and VT. In GA, a 90-day nursing home/60-day home care Elimination Period is available.

9. Not available in DE, ID, and WI. A Simple Increase Option is available in OH.

10. Not available in ID, IN, and WI. Selecting this option may cause your benefits to last for a shorter amount of time than the Benefit Period.

# FamilyCare II Benefit: A wide range of built-in benefits.

## Expanded care choices.

Maintaining your independence. Staying at home for as long as possible. FamilyCare II Benefit includes additional benefits, at no extra cost, to help make that possible.

### **Additional Stay at Home Benefit**

Goes beyond core LTCI coverage (which covers you at home or in a facility), providing extra funds to pay for home modifications, durable medical equipment, caregiver training, home safety checks, provider care checks, and medical alert systems.

The amount available for this benefit is equal to the Monthly Benefit selected (or 30 times the Daily Benefit selected) on a lifetime basis. This benefit is not subject to the Elimination Period, and is a separate pool of benefits in addition to your Total Pool of Money.

### **Care Advisory Services**

Enables you to select an independent professional of your choice to assist you in determining the care and treatment that's right for you.

This benefit is available to you up to the Care Advisory Services amount, which is equal to  $\frac{1}{3}$  of the Monthly Benefit selected (or 10 times the Daily Benefit selected) per calendar year. The Care Advisory Services benefit can be paid before the Elimination Period is satisfied, but does not count toward the Elimination Period.

### **Respite Care Benefits**

Provides short-term, temporary relief to enable your uncompensated primary caregiver, who may be a family member or friend, to take a break. Respite Care will be covered for up to 21 days per calendar year.

This benefit, which reduces your policy limit, is payable during your Elimination Period, but does not count toward your Elimination Period. Once you have satisfied your Elimination Period, if you need Respite Care, it will be covered under your FamilyCare II Benefit.

## Other special features and benefits.

Every family has a different set of needs. These additional built-in benefits may help to address your family's specific care situation:

### International Coverage<sup>11</sup>

This benefit covers any family member on the policy, anywhere in the world, for up to one year. Benefits will be based on 100% of your Daily or Monthly Benefit.

### Waiver of Premium<sup>12</sup>

Once a covered family member begins receiving benefits, your LTCI premiums will be waived. This will continue until benefits are no longer payable or your policy ends.

### Bed Hold Benefit

If you or a covered family member is in a nursing home or assisted living facility, your room will be reserved for you for up to 60 days per calendar year, if you need to leave it temporarily for any reason.

### Contingent Nonforfeiture

If you lapse your policy due to a substantial premium increase, you will have the right to reduce your policy benefits so that your premium payments are not increased, or convert your coverage to paid-up status, under which no further payments are due.

## Optional features to enhance your policy.

### Waiver of Home Care Elimination Period<sup>13</sup> (Zero-Day Home Care Elimination Period)

If you or a covered family member receive home health care, hospice care in your home, or adult day care, your Elimination Period will be waived.

### Additional Cash Benefit<sup>14</sup>

This benefit provides a separate pool of funds that assists you or a covered family member in staying at home. The cash benefit is equal to 15% of your Monthly Benefit or 4.5 times your Daily Benefit and can be used to pay for a variety of long term care expenses while you are receiving home health care. Note: Benefits received may create a taxable event. Please consult your tax adviser.

### Nonforfeiture

If you stop paying your premium after the third year, your past premiums will still be available to pay for services.

11. All services covered except Additional Stay at Home Benefit, Care Advisory Services, and Respite Care Benefit.

12. Does not apply to Additional Stay at Home Benefit, Care Advisory Services, or Respite Care Benefit.

13. This benefit will not be paid under the International Coverage Benefit. Not available with the 180- or 365-day Elimination Periods.  
Not available in OR.

14. Not available in OR.

# How FamilyCare II works.

## Applying for Coverage

- > Decide who will be covered:
  - You and your spouse
  - You and your spouse, plus one additional family member
  - You and your spouse, plus two additional family members
  - You and up to three additional family members

Eligible family members include parents, grandparents, grandchildren, siblings, stepparents, in-laws, step in-laws, children, and stepchildren ages 18 to 79.

## Receiving Benefits

- > Any family member on the policy who needs long term care can begin to receive benefits.
- > Benefits can be accessed by more than one policyholder at a time.
- > The policy's deductible, called the Elimination Period, need only be met once, by the first person on the policy to need care.

## Premium Payment Flexibility

- > The original policyholder is responsible for making premium payments.  
Sharing of premiums among family members will need to be coordinated by the family.
- > Premiums do not have to be paid while a family member listed on the policy is receiving benefits (after the Elimination Period is satisfied).

## A Legacy of Protection

- > Should one of your family members on the policy die, the living family members will inherit the total policy and the premium payment will be adjusted accordingly.

# Maximizing the value of your policy.

## Discounts.<sup>15</sup>

FamilyCare II Benefit also offers discounts that can help make coverage more affordable for individuals, couples, and families.

### Preferred Health Discount

If you are in excellent health when you apply for John Hancock LTCI coverage, you may be eligible to receive a 15% premium discount.

### Couples Discount

Your policy premium will be reduced by 15% if you have a partner and by 30% if both you and your partner have applied and are approved for long term care insurance coverage.

<i>Couples (Partners/Spouses) include policyholders who:</i>	
>	<i>are married</i>
>	<i>have lived with a family member of the same generation (sibling or cousin) for at least three years</i>
>	<i>have lived with a partner of the same sex or opposite sex for at least three years</i>



## Free-Look Period.<sup>16</sup>

You have 30 days to review your policy. If you decide it's not for you, simply return it to John Hancock and we will refund 100% of your premium.

<sup>15</sup>. A combination of discounts is limited to 40% per individual.

<sup>16</sup>. Policy is guaranteed renewable. Your rates can go up only if they are increased for everyone in your rate class. The policy offers a 65-day grace period for the late payment of premiums.

## Choosing a leader in Long Term Care Insurance.

A John Hancock LTCI policy is more than just a product. We are committed to providing help and support when you need care. That's why, over the years, so many people have put their trust in John Hancock.

We are one of the pioneers in LTCI and today, we are known for our leadership in both the individual and group LTCI markets. We are also proud to have been selected by the federal government to be one of only two carriers to offer LTCI in the Federal Long Term Care Insurance Program, which is available to more than 20 million members of the federal family.

With more years of experience in long term care than almost any other carrier, and more than 912,000<sup>17</sup> clients, John Hancock is known for its unwavering commitment to our LTCI policyholders. Backed by superior strength and stability, we are a company that has kept its promises, paying over \$1 billion<sup>18</sup> in claims on our LTCI policies over the years.

17. Based on internal data as of December 31, 2005. Total includes individual, group, and the Federal Long Term Care Insurance Program.

18. Based on John Hancock internal claims data as of December 31, 2005.



## LIMITATIONS

- > Benefits will not be paid for charges during the Elimination Period.
- > If you received services covered under the Nursing Home Benefit, Assisted Living Facility Benefit, and the Home Health Care Benefit on the same day, the only benefit payable for that day will be the greatest of the three benefits.
- > This policy contains a coordination of benefits provision: We may reduce benefits payable under this policy for long term care services if we also pay benefits for such services under any other individual long term care insurance policy issued by us. This includes policies providing nursing home, assisted living facility, and/or home health care coverage, whether payable on an expense reimbursement, indemnity, or any other basis.

## EXCEPTIONS

This policy does not cover care, treatment, or charges:

- > for intentionally self-inflicted injury
- > required as a result of alcoholism or drug addiction (unless the drug addiction was a result of the administration of drugs as part of treatment by a physician)
- > due to war (declared or undeclared) or any act of war, or service in any of the armed forces or auxiliary units
- > due to participation in a felony, riot, or insurrection
- > normally not made in the absence of insurance
- > 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;
  - the family member is a regular employee of a nursing home, assisted living facility, adult day care center, or home health care agency which is providing the services;
  - the organization receives the payment for the services;
  - the family member receives no compensation other than the normal compensation for employees in his or her job category
- > provided outside the 50 United States and the District of Columbia, except as described in the International Coverage section of the policy

The long term care insurance policy describes coverages under the policy, exclusions and limitations, what you must do to keep your policy in force, and what would cause your policy to be discontinued. Please contact the licensed agent or John Hancock for more information, costs, and complete details on coverage.

This is a general description of coverage and is not an insurance contract. Refer to the Outline of Coverage provided by your agent for an explanation of features and options. Only the individual long term care insurance policy contains governing contractual provisions. You may request a sample policy to review such provisions.



Long term care insurance is underwritten by  
John Hancock Life Insurance Company, Boston, Massachusetts 02117.

Visit us at [www.johnhancocklongtermcare.com](http://www.johnhancocklongtermcare.com)