

Long-Term Care Policies 4

Limitations and exclusions

- Mental or nervous disorders (Alzheimer's disease may NOT be excluded)
- Service in the armed forces
- Treatment in a government facility
- Services for which benefits are available under Medicare
- State or federal workers' compensation
- Services provided by an immediate family member
- Long-term care policies may not have an elimination period longer than 180 days
- Long-term care policies may not condition benefits on a prior hospitalization

Inflation protection – the insurer must offer inflation protection that is at least as favorable as one of the following types

- A provision that increases benefits annually at a rate of not less than 5% compounded annually, or
- A provision that allows the insured to increase benefits periodically without evidence of insurability, or
- A provision that covers a specified percentage of actual or reasonable charges