

## FAQ's



### How is a Cash Cancer Plan different from a traditional medical plan?

Medical insurance reimburses the insured, or provider, for covered and approved medical services, procedures, equipment, and prescription drugs. The Cash Cancer Plan pays an immediate, one-time lump-sum payment directly to the insured upon initial diagnosis of a covered cancer. The benefit can be used for any purpose the policyholder chooses.

### Does the insured have to be employed to enroll in the Cash Cancer Plan?

No. Enrollment is not dependent on current or future employment. As long as the insured pays the premiums on time, cover-age will continue until a claim is made.

### Are there limits on how the benefit can be used?

No, the benefit can be used for any purpose the insured chooses.

### Are there any types of cancer not covered?

The only skin cancer covered is malignant melanoma. All other skin cancers are not covered.

### Can the policy be terminated for any reason?

A policy can be terminated for non-payment after the 30-day grace period.

### Can payments be directed to a beneficiary?

Benefits are paid directly to the insured, however, the insured can designate an alternate beneficiary.

### Are benefits coordinated with other insurance, if any?

No, the benefits are paid to the insured separate from any other insurance.

### Will the insured be eligible if they have had skin cancer in the past?

Yes, the eligibility question disqualifies a proposed insured if they have ever been medically diagnosed as having or been treated by a physician for internal cancer, melanoma, leukemia, Hodgkin's Disease, malignant growth, Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex, or tested positive for the Human Immunodeficiency Virus (HIV).

### If the policy were to lapse, can it be re-instated?

If a policy has terminated for the reason of non-payment after the 30-day grace period, a new application must be submitted.

### When will the insured receive the lump sum payment?

Once Kanawha receives all required information, the check request will be processed, usually within a week.

# Cash Cancer Plan

## FAQ'S (cont'd)

### **Do benefit amounts differ for family members?**

No, unlike some other types of policies that cover spouses or children at a reduced percentage of the full benefit, the Cash Cancer policy provides the full benefits for all covered family members.

### **Is the one-time lump sum benefit for the entire family or each individual?**

Each individual has coverage at the benefit amount selected at the time of purchase.

### **What happens to a family plan when there is a divorce?**

Both partners can remain covered under the policy or one of the partners can convert to single or family coverage. The policy owner would send notification to Humana to remove the spouse and to advise the spouse of their conversion rights. The service department will send notification to spouse to advise them of their conversion rights and provide instructions for applying for the conversion coverage.

### **With family coverage, what happens to the coverage for the rest of the family if one family member has a claim?**

If the primary insured has a claim, the rest of the family members have a right to convert their policy. If someone else besides the primary has a claim, that person would be removed from the policy and the plan type would change, if needed (i.e. from family to individual, etc.)

### **For tobacco or non-tobacco premiums, if the prospect is tobacco free but uses medical marijuana, is that considered tobacco usage?**

The tobacco rates would be used if this ever came up. If anyone is taking marijuana for pain management they would probably be declined anyway due to the medical conditions.

### **What rate should a couple/family receive if the husband and wife are in different age bands?**

It is better for the insured if the younger spouse is the primary insured. Rates are illustrated in the product collateral.

### **Will the remaining family members receive rates based on attained age if a family member has cancer?**

No, rates on the converted policy would be based on the family member's age at the time the original policy was issued.

### **If a prospect has been in remission, are they eligible for coverage?**

No. If a prospect has ever had internal cancer or malignant melanoma, they are not eligible for coverage.

### **Can someone add ROP at any time or only at the time of signing?**

The ROP rider must be added at the time of application. They do have the option of replacing with a new policy and choosing ROP rider with the new policy but they would have to qualify by answering health questions.

### **If I stop smoking, can I get my premium changed?**

Yes. A urine specimen is required and a 12 month period must have elapsed since the last use of tobacco in any form.

### **When will the insured receive the lump sum payment?**

Once Kanawha Insurance Company receives all required information; the check request will be processed, usually within a week.

# Cash Cancer Plan

## FAQ's (cont'd)

### What happens to the Cash Cancer policy when a family member is added?

The premium will change to:

- Family coverage if a spouse or spouse and children are added to an individual policy.
- Single-parent coverage if a child or children are added to an individual policy.

### Can you explain how the preexisting conditions limitation works.

Any condition that a prospect has been seen for in the 5 years previous to applying for coverage, or symptoms that would lead a prudent person to seek advice or treatment during the 12 months previous to applying for coverage, which lead to a cancer diagnosis after the effective date of the policy will not be covered for 24 months (may vary by state) following the policy effective date.

**Example:** 6 months previous to applying for coverage the prospect goes to a physician for a suspicious spot on the skin. Physician doesn't think its anything to worry about and makes no diagnosis. 6 months after the policy effective date the client goes back to the doctor for the same spot because it appears to be getting worse. Physician biopsies the tissue and returns a diagnosis of malignant melanoma. This condition would not be covered for 24 months (may vary by state) following the policy date.

### Please clarify when the tobacco rates will be used for family coverage.

Tobacco rates will apply if either the primary insured or the spouse uses tobacco products. The tobacco usage question is not asked of dependents.

### For Life Pay on Cash Cancer, if a child ages off and wants to convert to their own policy, will they be asked the medical questions?

They have 60 days to convert without proving insurability after this 60 day period they will need to prove insurability.

### The material states that for 20-pay, when a child ages off the policy, they can convert to their own policy within 60 days, without proving insurability. Does the same stipulation apply to Life pay?

Yes

### Is there statistical data on how much the premiums increase each year? Percentages, etc.

Premiums are intended to stay level. Premium does not increase with age. The only increase would be as a result of high claims forcing us to increase premiums to meet the claim demand. Any increase must be submitted and approved by the state DOI and would affect all policies within the state.

# Cash Cancer Plan

## FAQ's (cont'd)

**If you are diagnosed, submit the required paperwork and receive your pay out - then after 6 months of treatment, your Doctor tells you that you were misdiagnosed. What happens? Do you have to return the money? Does your policy get reinstated?**

If we've paid the policy is terminated. Member would keep the money but would not be able to re-instate or re-apply for coverage.

**What does APS mean?**

Attending Physician Statement.

**If I have multiple Humana Cash Cancer policies and I get a cancer diagnosis, will I have to file a claim to all the policies or can I only file some of them and keep the others in force?**

We will pay for claims filed on the specified policy. If no claims are filed on specific policies they will remain in force and will pay benefit when a claim is filed.

**What if they were not all Humana policies?**

Other carriers may handle differently; the consumer would need to be directed to their carrier regarding other carrier questions.

**If I am 63 yrs old when I enroll and I am the primary insured and my husband who is 69 is secondary and we add the ROP rider - is the ROP based off of the primary only? So the ROP would be a 20 year ROP?**

Yes, rather than a 10year 50%.

**If the insured with a claim is a minor, is the payment made to the parents?**

Payment will be made to the owner.

**If the mother is a smoker and is disqualified from the plan as she was diagnosed with cancer and she is covering her children on her policy - would the tobacco rates be used as the mother is a smoker?**

Yes, but Kanawha will provide a counter offer to cover the children at a non-tobacco rate.

**If a family plan was issued with ROP and the secondary insured converts to a new policy because the primary insured had a claim. Would the ROP carry over to a plan for the converted policy?**

They can get a plan with ROP but the policy will be a new policy and a new 20 year ROP period.

**Would the insured under the converted policy have the option to have a ROP?**

Yes

**Can I decrease the pay out amount if I need to decrease my premium with out having to start over? So for example - I have a 50,000 plan - no ROP but want to lower my premium - can I?**

Yes. The policy owner can obtain a policy service form from customer service. They can use this form to reduce coverage as desired without terminating their policy.

**If a secondary insured has a claim, does the ROP continue or does it drop?**

The ROP drops.

**Should the ROP Rider be presented as a savings account?**

No.

# Cash Cancer Plan

## FAQ'S (cont'd)

### **How would the application be handled if a parent does not qualify for a Cash Cancer Plan but wants to cover their children?**

One of the parents will need to apply with the children. KMG will process the app. declining the parent and then counter offer with a policy to cover the children only. We don't want child only applications coming in from the field. The new premium will be offered with the counter offer at the Issue age of the youngest child. The policy will be based on single parent rates using the lowest age band.

### **Can you have more than one Cash Cancer plan with Humana? If yes, is there a limit to the number of plans you can have?**

No limit to plans but there is a limit of \$50,000 of total Cash Cancer Benefit.

### **If you have single parent coverage and single parent dies - what happens to the policy for the minor children?**

Children will be able to convert within, 60 days, to a policy to cover children only similar to the counter offer when a parent doesn't qualify for coverage.

### **On the Cash Cancer application does the SSN have to be entered for the spouse?**

The SSN does need to be entered if possible but will not pend the application if it's not entered.

### **If one of the applicants smokes, who should be listed as the primary insured? Checking to see that is the correct.**

The spouse that smokes should be listed at the primary insured.

### **What if the younger of the two spouses smokes?**

The younger of the two spouses should be used as the primary insured to save age.

### **Is the benefit always paid to the owner of the policy or to the insured?**

The owner. The policy owner always has control of the policy and any proceeds derived from the policy benefit on a cash cancer plan.

### **How is in situ cancer looked at under this policy?**

It is covered as an internal cancer with this policy. Full benefit payout.

### **What happens if you have prepaid your premium and the company dissolves - what happens to the premium?**

All policies are covered by reserves and or reinsurers. The state DOI regulates this to insure against this very thing.

### **If I am 65-69yrs old at age of issuance and I get a 20 pay with ROP- the ROP will be a 10yr return at 50%. What do I continue to pay for the remaining 10 yrs of my 20 pay?**

For the remaining 10 yrs the policy payor will pay the base policy 20 pay rate.

### **If you receive a payout benefit, do you have to pay taxes on the benefit?**

This varies by state. Typically no, but the consumer should check with their tax advisor.

### **Can payments be accelerated?**

No, not for Cash Cancer. The only product that can be paid in advance is the Junior Estate Builder.