AGENT GUIDE

A reference book to Cigna Medicare Supplement Solutions℠

Insured by Loyal American Life Insurance Company

MEDICARE SUPPLEMENT

LOYAL PROTECTION PLUS

THERE ARE NO LIMITS TO WHAT CAN BE ACHIEVED
IN YOUR CAREER WITH
CIGNA SUPPLEMENTAL BENEFITS

GO YOU℠

Cigna®

EXECUTIVES

On behalf of Cigna Supplemental Benefits, I want to welcome you. You can be sure that our team is charged with fulfilling the commitments we make to you and those you make to your customers. Our objective is to earn your business every day by building a working relationship that is focused on results. We are constantly striving to improve services, policies and procedures geared towards making doing business with us faster and easier. And, our commitment does not stop there — our Customer Service staff is standing by to answer your calls. We understand that our way of doing business does not work unless it works for you and your customer. You can count on us to deliver the service you expect and deserve.

—Brad Wolfram, *Divisional President*

I am looking forward to working with you and the opportunities we offer through Cigna Supplemental Benefits. We are focused on providing a level of commitment unparalleled with any other insurance carrier. We take the job of supporting you very seriously. We do not prosper unless you are successful in your sales efforts. I encourage you to take advantage of the tools we have available on AgentView (http://AgentViewCigna.com), where you will find interactive rate quoting software, advertising samples, product material and much more to help make your job easier. "World Class Sales Support" is not just a phrase but our way of continually showing you the importance we place on your business and ensuring we do everything we can to help you succeed.

—David Chambers, *Divisional Vice President Sales & Marketing*

NOTICE

Throughout this guide, references and procedures will refer to the "generic" product. The product approved in your state may have similar application form numbers but may occur in a different sequence.

For the most accurate forms in your state, please access **AgentView** (http://AgentViewCigna.com).

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MEDICARE SUPPLEMENT

Part A and Part B expenses not covered by Medicare

MEDICARE SUPPLEMENT

A Medicare Supplement policy is an individual supplemental health insurance plan that provides benefits for all or part of the deductible and coinsurance amounts not covered by Medicare. The Omnibus Budget Reconciliation Act of 1990 *(OBRA '90)* permits issuance of a Medicare Supplement policy to individuals who have other health insurance plans such as Long-Term care, specified disease or hospital indemnity policies. However, it is unlawful to sell a Medicare Supplement policy to an individual who already has a Medicare Supplement policy – unless the new policy will replace the existing policy.

BENEFIT CHART OF MEDICARE SUPPLEMENT PLANS

This chart shows the benefits included in each of the standard Medicare Supplement plans. Every company must make Plan "A" available. Some plans may not be available in your state. See your state's Outline of Coverage for details about ALL Plans.

BASIC BENEFITS:

Hospitalization: Part A coinsurance plus coverage for 365 additional days after Medicare benefits end.

Medical Expenses: Part B coinsurance *(generally 20% of Medicare-approved expenses)* or co-payments for hospital outpatient services. Plans K, L & N require insureds to pay a portion of Part B coinsurance or co-payments.

Blood: First three pints of blood each year.

Hospice: Part A coinsurance.

A	B	C	D	F/F*	G	K	L	M	N
Basic Benefits, Including 100% Part B Coinsurance	Basic Benefits, Including 100% Part B Coinsurance	Basic Benefits, Including 100% Part B Coinsurance	Basic Benefits, Including 100% Part B Coinsurance	Basic Benefits, Including 100% Part B Coinsurance	Basic Benefits, Including 100% Part B Coinsurance	Hospitalization & preventive care paid at 100%; other basic benefits paid at 50%	Hospitalization & preventive care paid at 100%; other basic benefits paid at 50%	Basic Benefits, Including 100% Part B Coinsurance	Basic Benefits, Including 100% Part B Coinsurance**
		Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance	50% Skilled Nursing Facility Coinsurance	75% Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance
	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible	50% Part A Deductible	75% Part A Deductible	50% Part A Deductible	Part A Deductible
		Part B Deductible		Part B Deductible					
				Part B Excess (100%)	Part B Excess (100%)				
		Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency			Foreign Travel Emergency	Foreign Travel Emergency
						Out-of-pocket limit $4,620; Paid at 100% after limit reached	Out-of-pocket limit $2,310; Paid at 100% after limit reached		

*High Deductible Plan F – Is a high deductible plan pays the same benefits as Plans F after one has paid a calendar year $2,000 deductible. Benefits from high deductible plan F will not begin until out-of-pocket expenses exceed $2,000. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plan's separate foreign travel emergency deductible.

**Except up to $20 co-payment for office visits and up to $50 co-payment for ER visits.

THE SALES PROCESS

SALES TOOLS

- Outline of Coverage
- Brochure *(optional)*
- Application package

LEAVE BEHIND MATERIALS

Here is a list of marketing materials every agent should have when completing a sale. Remember, some of these materials are required by your state.

- Appropriate state Outline of Coverage *(required)*
- Brochure *(optional)*
- The *Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare Guide (required)*
- Premium Receipt *(contained in application package)*
- Replacement Form if replacement Policy *(contained in application package, required)*
- Any other state specific forms in your application package to be left with applicant

THE NEW POLICY

- Policy – Check to ensure that the issued policy matches the requested policy.
- Policy Identification Card – For your customer's use when purchasing health care services. A temporary ID card is included with the policy welcome letter. A laminated card will follow.
- Delivery Receipt – The insured is to sign this and return it to the administrative office. *(In states where required)*
- Amendments – Your customer's policy may be issued conditionally. If so, an alternate plan of coverage is submitted with the policy giving the applicant the opportunity to accept or decline the offer. If the offer is accepted, the acceptance letter signed by the customer is returned, filed and the account activated. The customer may call our New Business department and provide verbal authorization to accept the alternate plan of coverage and a different premium, if applicable. If the offer is declined, the policy is terminated as not taken. Failure to return this signed amendment within thirty (30) days *(free look period)* will result in an automatic cancellation of the policy.

UNDERSTANDING THE MEDICARE SUPPLEMENT APPLICATION

OUTSIDE OPEN ENROLLMENT *(APPLICANTS AGE 65 AND OLDER)*

- Submit a completed application. Health questions should be answered.
- A Phone Verification will be required for all applicants along with a prescription database check.

DURING OPEN ENROLLMENT

- The Medicare Supplement Open Enrollment (OE) period lasts six (6) months. OE generally starts on the first day of the month in which the applicant is both age 65 or older and enrolled in Medicare Part B.
- Submit a completed application. Medical questions should not be answered.
- All plans for sale in the state of residence will be available.
- Applications must be mailed with a wet signature and a check.

OPEN ENROLLMENT/GUARANTEED ISSUE QUOTING RULES FOR PLANS[1] A, B, C, D, F, G & N

Attained Age

- During Turning 65 OE, plans should be quoted at the age 65 rate for Preferred class for non-tobacco users and Standard class for tobacco users. However, if the tobacco question is under the 'Medical Questions' on the application you do not have to answer and can quote for Preferred rates regardless of if the client is a tobacco user or not.
- During Regular OE *(63 & under and 66 & older)* Preferred *(or preferred plus if available[2])* should be quoted regardless of tobacco usage.
- In PA & TN, the most favorable class rate must be used during Open Enrollment, regardless of tobacco usage.

Issue Age

- Preferred (*or preferred plus if available[2]*) rates should be quoted in all issue age states regardless of tobacco use.

DISABLED APPLICANTS UNDER THE AGE OF 65

- Applicants who are under the age of 65 and are disabled *(according to Medicare qualification criteria)* are generally not offered coverage unless an offer is mandated by the state in which they live. Refer to Medicare & You, the official government handbook, for details and updated state guidelines *(also available online at www.medicare.gov)*.

DISENROLLMENTS/GUARANTEED ISSUE

If the proposed insured loses health coverage under certain circumstances, he or she will have a guaranteed right to purchase the Medicare Supplement plans A, B, C or F offered by the company in the applicant's state. He or she must apply within sixty-three (63) calendar days following notification of loss of coverage or the actual date that coverage terminates *(If the applicant applies after sixty-three (63) calendar days, full underwriting will be required)*.

Check for any other specific rules in the applicant's state. Once you have determined that Guaranteed Issue circumstances apply:

- Complete an application with the proposed insured. Application must have a wet signature and be mailed with a check.
- Submit a copy of the disenrollment/termination letter including policyholders name and termination date with the application. Additional documentation may be required for certain Guaranteed Issue rights.
- Medical questions should not be answered.
- Application must have a wet signature and be mailed with a check.

[1]Check your state's Outline of Coverage for available plans.

[2]Preferred Plus rates not available in every state, check your state's Outline of Coverage for available plans.

COMPLETING A MEDICARE SUPPLEMENT APPLICATION

All sections of a Medicare Supplement application must be completed. Make sure to refer to the application relevant to your state when reviewing this guide.

The following guidelines apply to all applications:

- Use black ink pen on all documents — no marker pens.
- We accept Med Supp applications for customers that are not current Med Supp policyholders. This includes policy conversions, exchanges and downgrades.
- Both the issue state and the residence state must be based on the applicant. Agents must be licensed to sell Med Supp in the applicant's state of residence either by a state resident or non-resident license in order to take an application.
- All agents must also use the current application packet *(with rates)* for the insured's resident state at the time of application. Applications received for processing that are based on the agent's issue state and not the applicant's resident state will be returned.
- Draw a line through any errors and have the applicant initial corrections. Do not use correction fluid or similar measures.
- Applications must be submitted within thirty (30) days of the signed application date and cannot have a requested effective date prior to the date the application is signed.
- The requested effective date may not be more than sixty (60) days from the date the application was signed.
- Initial full modal premium must be submitted on all applications (except for faxed and Express App applications where the bank draft authorization can be completed for premium).
- Check all calculations against the premium rate charts and/or rate software, including plan code, area rating, age, etc.
- Applicant and agent must sign and date all designated sections on the application *(except for Phone Sale and EXPRESS APP applications where the signature will be collected during the Phone Verification call)*. No Power Of Attorney signatures are acceptable
- We do not accept stamped signatures from either agents or applicants.
- If applicable, all state-required forms *(e.g., replacement, state disclosure and disenrollment/termination letter)* should accompany the application at the time of submission.
- A HIPAA Authorization must always be signed and submitted with the application.

Application submission tips:

- For applicant Height/Weight enter in feet and inches and pounds.
- Payer/payee guidelines: We will not accept premium payments from an employer or a group. Each policy is an individual contract. Premium payments will be accepted only from the policyholder or an immediate family member. No third-party payers will be accepted.
- A Point-of-Sale Phone Verification (PV) reduces underwriting time. Contact the Austin Office (866-825-4822) to conduct Point-of-Sale Phone Verifications for all Med Supp applications. For instructions on how to complete a PV see page 22.
- All Open Enrollment/Turning 65 or Guaranteed Issue applications must be mailed with a wet signature and the first premium check to: P.O. Box 559015 | Austin, TX 78755-9015.

UNDERWRITING GUIDELINES

All applications will be fully underwritten, unless the applicant qualifies for Open Enrollment or Guaranteed Issue. Our underwriting process includes a Phone Verification and a prescription drug screening. If an application is submitted as any rate class that does not meet our criteria, you will be notified. A notice of premium due and alternate plan of coverage schedule page will be sent with the policy and the application will be held until we receive the additional premium and signed schedule page.

PREFERRED PLUS CLASS*

An applicant may qualify for the Preferred Plus class rate when the applicant meets at least the following minimum requirements:

- All medical questions must be answered "no".
- The applicant is not taking more than three (3) maintenance prescription drugs.
- The applicant is not taking any of the drugs listed on our declinable drug list for listed use only *(CSB-9-0017-MS-Loyal, found on **AgentView**)*.
- The applicant's height and weight must be between the minimum weight and the maximum weight for Preferred Plus class.
- The applicant must not have used tobacco within the last twelve (12) months.

PREFERRED CLASS

- All medical questions must be answered "no".
- The applicant is not taking any of the drugs listed on our declinable drug list for listed use only *(CSB-9-0017-MS-Loyal, found on **AgentView**)*.
- The applicant's height and weight must be between the minimum weight and the maximum weight for Other classes.
- The applicant must not have used tobacco within the last twelve (12) months.

STANDARD CLASS

- All medical questions must be answered "no".
- The applicant is not taking any of the drugs listed on our declinable drug list for listed use only *(CSB-9-0017-MS-Loyal, found on **AgentView**)*.
- The applicant's height and weight must be between the minimum weight and the maximum weight for Other classes.
- The applicant is a tobacco user or has used tobacco in the last twelve (12) months.

REMEMBER: When checking your client's medications against the Declinable Drug List *(CSB-9-0017-MS-Loyal, found on **AgentView**)* always determine how that medication is used. Prescription medications may be used for multiple reasons. Insurability is based on the conditions listed on the actual application. Our Underwriting Department will have the final determination in all cases.

IMPORTANT NOTE: The Med Supp business will be issued at the rate class requested by the Agent. If the applicant does not qualify for the requested rate class the next appropriate rate class will be applied.

*Preferred Plus class rates are not available in all states. Check your state's Outline of Coverage for availability.

PREMIUM CALCULATION AND PAYMENTS

ONE TIME APPLICATION FEE

There is a one (1) time application fee *(except in AR & WV)* of $25.00 *($6.00 in MS)* for each new application.

PREMIUM MODES

Four (4) modes of premium payment are currently available: Annual, Semi-Annual, Quarterly & Monthly auto-pay.

RATE CLASSES

There are three (3) classes of rates for Loyal: Preferred Plus*, Preferred and Standard *(tobacco user)*.

PREMIUM PAYMENTS

Due to the USA Patriot Act's broad anti-terrorism measures, Loyal American's policy is to prohibit money laundering through detection, deterrence and prevention. While the acceptance of cash or cash equivalents is not prohibited, regulations are such that we may be required to report to the IRS if cash or cash equivalent payments from a customer exceed the allowable threshold. Types of "cash" include: U.S. currency, foreign currency, Cashier's checks, money orders, and Traveler's checks. If the client presents a cashier's check or money order directly to the agent, the submission must include a letter of explanation signed by the applicant. A check drawn on the payer's own account, such as a personal check, is not considered cash. Third Party checks are not acceptable for payment of any policy premium, unless Group/Association Direct/List Bill status is utilized.

HOW TO CALCULATE PREMIUMS

If you are away from a computer or cannot access the EXPRESS APP software you can calculate the premiums manually using the instructions below.

1. Find the premium for the insured at the age he or she is on the date the application is signed, not the requested date of coverage.
2. Determine the correct rates by using the first three (3) digits of your client's ZIP code.
3. Decide which mode of premium payment you will use. The current modes offered are: Annual, Semi-Annual, Quarterly and Monthly auto-pay. For modes other than annual, use the appropriate conversion formula:

   Semi-Annual = Annual premium x 0.520

   Quarterly = Annual Premium x 0.265

   Monthly Auto-Pay = Annual premium x 0.085

4. Multiply the annual premium by the applicable factors to obtain the appropriate rate.

   Example: $1,200 *(Annual premium)* x 0.085 *(Monthly Bank Draft)* = $102 monthly rate

BANK DRAFTS

Med Supp policies will draft premiums on the client's chosen draft date following the effective date.

*Preferred Plus class rates are not available in all states. Check your state's Outline of Coverage for availability.

EXPRESS APP SOFTWARE

EXPRESS APP, a new way to do business. Your entire sale can even take place over the phone, saving you time & money. With this software you don't have to meet with the client, obtain a signature or collect a premium check! EXPRESS APP is proprietary software that sends the application directly into our work flow process for the fastest issue possible!

1. **Download.** Log on to the agent secure website, AgentView *(http://AgentViewCigna.com)* and go to the EXPRESS APP page. Click on the Med Supp icon at the bottom and follow the download instructions. Be sure to check "save", not "run", to install on your desktop.
2. **Install.** To install EXPRESS APP on your computer, double-click the installation icon. Then, launch the software. The first time you do so you will be asked to enter your agent information, including your agent number. If you have been appointed as a corporation, be sure to use your "SYS" number. The software will then prompt you to check for rate updates.
3. **Quote.** You will need your client's DOB, height, weight and zip code. Input this info and you will have current annual, semi-annual, quarterly and monthly premiums for all available plans in your state within seconds!

   Simply select the plan that best fits your client and you are ready to move on to the application!
4. **Application.** After you have chosen a plan, click on the "Full Application" button at the bottom of the page. Once you input the name of your client, tabs will appear at the top of the software that contain the application portion. Fill out all information in the Personal, Eligibility, Certification, EFT and Acceptance tabs. You're almost done!

   Not all states have the application function. Future enhancements are coming to include all states in the future. Please check the Product Availability Chart on the 'Product Resource Center' page for what's available in your state.

   Note: There are multiple section tabs under the Eligibility and Acceptance tabs.
5. **Submit.** After you have input all your client's information, take time to go over it once more with them. After you have verified all the information is correct, go to the "Acceptance" tab and then the "Final" tab and click "Accept".

   If you missed entering any required information you will get an error that informs you what information is missing.

   If all information is correct you will be prompted to submit the application right away or wait to submit at another time *(for example if you do not have an internet connection)*. Once you submit, you and the applicant will receive a copy of the application, outline of coverage and the applicant will receive the *Guide to Health Insurance for People with Medicare* via email.

   Note: Not applicable for Open Enrollment/Turning 65 or Guaranteed Issue applications.

LOYAL PROTECTION PLUS

A Hospital/Confinement Policy

LOYAL PROTECTION PLUS

THE BENEFITS OF LOYAL PROTECTION PLUS

No matter how good your client's medical insurance is, when they are hospitalized for an injury or illness there will probably be medical expenses and out-of-pocket costs that aren't covered. A Loyal Protection Plus insurance policy provides cash benefits they can use as they see fit. The benefits are predetermined and paid regardless of any other insurance your client has. Whether your client wants a plan that provides just the hospitalization benefits or one that also includes benefits like the Skilled Nursing Facility Benefit or the At-Home Care Benefit, Loyal American Life Insurance Company can help with Loyal Protection Plus.

Choice and flexibility are built-in to our three packages — Essential Coverage Option A, Complete Coverage Option B & Absolute Coverage Option C benefit packages. You select the coverage your client needs with the benefits that are right for them and their budget. A one-time application fee of $25* will apply. When two enroll on the same application with the same benefits, only one application fee of $25* will apply.

Marital Discount of 15% will apply if both husband and wife are insured at the same time for the same benefits and apply on the same application. Discount Not Available in CA, KS, MN or MT.

The protection comes from knowing they will have help with out-of-pocket expenses including deductibles, co-pays and coverage limits that may be included in your primary insurance plan. And, all benefits are paid directly to your client. Available for ages 50 - 85.[1]

Bonus! When Loyal Protection Plus is purchased in conjunction with a Loyal Medicare Supplement Policy, applicable claims will be submitted automatically. Filing a paper claim may not be necessary!

DEFINITION OF BENEFIT RIDERS[2]

Hospital Confinement Base Plan – This benefit pays $750 when confined to a hospital in excess of 24 hours. The benefit is payable once for each period of confinement[3].

Ambulance Benefit Rider – We will pay $150 for ambulance transportation during a period of confinement up to three times per calendar year for each covered person. This benefit has a lifetime maximum of $2,500 per covered person.

First Diagnosis of Cancer Benefit Rider – If a covered person should incur a first diagnosis of cancer, Loyal will pay that covered person a lump sum of $5,000. Each covered person is limited to the payment of one such benefit amount.

Skilled Nursing Facility Benefit Rider[4] – After satisfying a your 20 day elimination period, we will pay the daily benefit of $125 for each day you are confined in a skilled nursing facility. This benefit is payable for up to 90 days for each period of confinement for each covered person. The confinement must immediately follow a hospital stay of at least three consecutive days.

At-Home Care Benefit Rider – We will pay $50 per day for physician-ordered services of a private-duty nurse or registered nurse. This benefit is payable for up to 30 days for each period of care.

PHONE VERIFICATION (PV)

We will conduct a PV with the applicant to verify all the information on the application. Refer to page 24 for our Point-of -Sale and PV procedures. If the customer purchases a Loyal Protection Plus policy in conjunction with a Loyal Medicare Supplement policy, both PV's can be done at the same time without duplicating questions. *Be sure to notify our PV associate at the beginning of the call that the verification will be for both policies.*

*Some states may differ – check the rate chart for application fee details.

[1]8 – 85 in PA.

[2]All riders may not be available in all states.

[3]Period of Confinement – Begins with the first day of confinement in a hospital because of a covered sickness or injury and ends when you have been out of the hospital and not confined to any other medical or skilled nursing facility for sixty (60) consecutive days.

[4]In Iowa the coverage is for a Nursing Facility.

HOW DO I FILL OUT THE APPLICATION?

Instructions for selecting the options for the
Loyal Protection Plus

The applicant information and payment selection portion of the application are completed as normal. The Loyal Protection Plus brochure (LOYAL-3-0004-BRO) has complete information on coverages and options available. Below is a recap of the benefits included with each option:

- **Option A** *(Essential)*, includes the $1,000 Hospital Confinement Benefit & the $150 Ambulance Benefit.
- **Option B** *(Complete)*, includes the $1,000 Hospital Confinement Benefit, the $150 Ambulance Benefit & the $125 Daily Skilled Nursing Facility Benefit.
- **Option C** *(Absolute)*, includes the $1,000 Hospital Confinement Benefit, the $150 Ambulance Benefit, the $125 Daily Skilled Nursing Facility Benefit, & the $50-per day At-Home Care Benefit.

To select the proper coverage requested by the applicant, simply follow these basic steps:

1. Check **Hospital Confinement Benefit & Ambulance Benefit** (Included in all Options, A, B & C).
    a. If your client chose **Option B**, also check **Skilled Nursing Home Benefit.**
    b. If your client chose **Option C**, also check **Skilled Nursing Home Benefit** & **At-Home Care Benefit.**

2. Ultimate Plan upgrade (First Diagnosis of Cancer Benefit) is not available in VA.

BASE PLAN	☐ **Hospital Confinement Benefit (A, B, C)** (Choose one benefit amount)	$750	**$1,000**	$1250
OPTIONAL RIDERS (Choose Rider applied for and one benefit amount for each.)	☐ Skilled Nursing Facility Benefit **(B, C)**	$75	$100	**$125**
	☐ At-Home Care Benefit **(C)**	$25	**$50**	$75
	☐ Daily Hospital Benefit	$100	$125	$150
	☐ Physician Benefit	$15	$25	$50
	☐ Surgical Benefit	$200	$400	$600
	☐ First Diagnosis of Cancer Benefit	$5,000	$7,500	$10,000
	☐ Ambulance Benefit **(A, B, C)**	$50	$100	**$150**
	☐ Durable Medical Equipment Benefit	$200	$300	$400
	☐ Accidental Death & Dismemberment Benefit (Choose Beneficiary) Primary Beneficiary Relationship Contingent Beneficiary Relationship	$2,500	$5,000	$7,500

Other coverage amounts and options shown in gray are not available at this time.

Refer to the Loyal Protection Plus Rate Chart (LOYAL-3-0004-RC VA) for calculating the proper rates for the coverage selected. Not all packages and riders are available in all states. Check your state's Application/Outline of Coverage.

LOYAL PROTECTION PLUS/MED SUPP COMBO SUBMISSION

Why Submit a Combo?

- When Loyal Protection Plus is purchased in conjunction with a Medicare Supplement Policy, applicable claims will be submitted automatically. Filing a paper claim may not be necessary!
- Both policies will be delivered to the client together and will be billed to the client together if paying via auto-pay. You must use the combo Protection Plus/Med Supp FaxApp Cover Sheet for both charges to appear together and to have the policies delivered together.
- You receive higher commissions!

How Does It Work?

An application with all supporting documents is faxed to **877-704-8186**. A case number is assigned and the application is processed. Your commission is generated the day after issue.

Instructions for the FaxApp are outlined on the FaxApp Cover Sheet. Be sure to check the combo box on the FaxApp Cover Sheet.

GENERAL INFORMATION

GENERAL INFORMATION

NEW BUSINESS GUIDELINES

- You must be licensed in the state where the applicant resides.
- Make sure to complete all sections of the Applications for the requested coverage.
- All applications must be signed by the Proposed Named Insured or Contract Owner. A power of attorney is not acceptable. (The client's signature is not required on Phone Sales-see "How to Sell" section.)
- The Proposed Named Insured must exhibit a definite insurable interest. Generally, we assume this exists when there is a husband/wife, parent/child, or grandparent/grandchild relationship.
- Any mention in this guide of the word "Spouse", reference to the term "Marriage", or where rates are listed for "Family" coverage includes parties to a civil union in states where civil unions are recognized.
- Be sure to mark the correct benefit amounts on the application and submit a copy of your Premium Calculation Worksheet or Proposal.
- Your signature and assigned agent number must be included in the space provided on the application for the agent's information.
- If it is necessary to correct a mistake on the application, both you and the applicant must initial the strikeover and this must be done in the presence of the applicant. Do not use white-out or correction fluid on the application.
- Applications must be received within 30 calendar days of date signed. (Special rules apply to Employer Group Program.)
- The Effective date cannot be the 29th, 30th, or 31st of the month. If the application is dated one of these dates, the Effective Date will be the 1st of the following month.
- Coverage does not begin until the Effective Date of the Contract. Only losses incurred on or after the Effective Date of the Contract will be considered under the terms and conditions of the Contract.
- If two Loyal American applications for the same product are submitted at the same time on the same person, the one with the earliest application date will be processed and the other will be withdrawn.
- Initial full modal premium must be submitted on all applications (except for faxed and Express App applications where the bank draft authorization can be completed for premium).

Due to the USA Patriot Act's broad anti-terrorism measures, CSB's policy is to prohibit money laundering through detection, deterrence and prevention. Therefore, we do not accept currency (cash), foreign currency, Cashier's checks, money orders or Travelers checks as premium payments. A check drawn on the payer's own account, such as a personal check, is not considered cash. Third Party checks and/or representative payees are not acceptable for payment of any contract premium, unless Group/Association Direct/List Bill status is utilized.

BUILD CHART

HEIGHT & WEIGHT GUIDELINES

Applicants whose weight is outside the limits in the build chart are generally considered uninsurable.

FEMALE				MALE		
Min. Weight	Max. Weight for Preferred Plus Class*	Max. Weight for Other Classes	Height	Min. Weight	Max. Weight for Preferred Plus Class*	Max. Weight for Other Classes
77	145	158	4′6″	85	149	166
80	150	163	4′7″	88	155	172
83	155	169	4′8″	91	160	178
86	161	176	4′9″	95	166	185
89	166	181	4′10″	98	172	191
92	172	188	4′11″	101	178	198
95	179	195	5′0″	105	184	205
98	185	201	5′1″	108	191	212
101	191	208	5′2″	111	197	219
104	197	215	5′3″	114	203	226
108	203	221	5′4″	119	209	233
111	209	228	5′5″	122	216	240
115	216	236	5′6″	127	223	248
118	222	242	5′7″	130	229	255
122	229	250	5′8″	134	236	263
125	236	257	5′9″	138	244	271
129	243	265	5′10″	142	251	279
133	250	273	5′11″	146	258	287
136	257	280	6′0″	150	265	295
140	264	288	6′1″	154	272	303
144	272	296	6′2″	158	280	312
148	279	304	6′3″	163	288	320
152	287	313	6′4″	167	296	329
156	294	320	6′5″	172	303	337
160	301	329	6′6″	176	311	346
164	309	337	6′7″	180	319	355
168	317	346	6′8″	185	327	364
173	325	354	6′9″	190	335	373
177	334	364	6′10″	195	344	383
181	341	372	6′11″	199	352	392

Note: If the client's height is not included on the chart, please call Underwriting at 866-825-4822.

* Preferred Plus class rates are not available for Medicare Supplement in all states. Please check your state's Outline of Coverage for availability. Not Applicable to Loyal Protection Plus.

DELIVERY RECEIPTS *(In states where required)*

For policies that are hand-delivered by the agent to the customer:

- The agent should explain all the provisions and benefits to the customer, and once completed, the delivery receipts should be signed and dated by the customer and the agent.
- One copy should be returned to the administrative office. The agent should keep a copy for his or her records.
- The agent should deliver policies within seven days of receipt.

Failure to submit the delivery receipt back to the administrative office will not result in the cancellation of the contract. In some states this receipt is intended to protect the agent with proof of delivery. In other states the receipt is required.

DECLINED APPLICATIONS

If a customer's circumstances fall outside of our limits of insurability, he or she will be notified of the decline in the form of a letter. This letter will identify the specific reasons for the decline. This letter is mailed to the applicant and agent.

APPEALING A DECLINED APPLICATION

We will REQUIRE a SIGNED and DATED letter from the treating physician for any appeal based upon a declinable medication or in-house claims history, as stated above. The agent should contact the Underwriter to determine what will be required with all OTHER declines.
Appeals should be faxed to 512-590-6034, Attn: Underwriting.

Please note that the Underwriter will make the final determination in all cases.

RECENT SURGICAL PROCEDURES

We will REQUIRE a SIGNED and DATED letter from the treating physician if the applicant has had a surgical procedure within the past 90 days; or 30 days for cataract surgery. This letter MUST state that the applicant has COMPLETED the requisite follow-up visits and therapy, and has been released from the doctor's care. Failure to include this letter WITH the application may lead to the declination of the application.
Please note that the Underwriter will make the final determination in all cases.

INCOMPLETE APPLICATIONS

If there is insufficient information on the application we will contact the agent during the application process to obtain information. If the information is not received within 30 calendar days, the application is terminated as incomplete and a letter sent to the applicant and agent. Any refund of premium will be returned to the applicant.

APPLICATIONS WITH PREMIUM SHORTAGES

Applications submitted with premium shortages will be processed with the following guidelines:

Premium Shortage	Guidelines
Up to $10.00	Contract will be issued with shortage amount taken from agent's commissions *(in this case the agent is expected to collect shortage amount from client)* or via bank draft.
$10.01 or more	Contract will be issued with a coupon which is a requirement of additional premium due. Notification of this action will be mailed with the contract to the agent. If the additional premium is not received within forty-five (45) days, the contract will be terminated and the initial premium refunded to applicant.

AGENTVIEW

The Cigna Supplemental Benefits AgentView website (http://AgentViewCigna.com) gives you the tools to effectively manage your business. Download applications, track your new business, view commission statements and much more!

When you create your account you will:

1. Fill out the Create an Account section with your User name and Password.
2. Fill out the Personal Information section with your Email address, First and Last name and Social Security Number.
3. Fill out the Security Information section by answering the four security questions.
4. And lastly, fill out the Eligibility Verification section with your Agent Number and Zip Code.

Important Note: If you are registering a corporate tax ID number or agency please enter the last name and Social Security Number of the Principal and add "SYS" to the front of the writing number. If you need assistance registering for or logging on to the website, please contact our Agent Resource Line at (877) 454-0923.

On AgentView, you can find applications, track your new business and:

- look up the phone number of your in-force policyholders.
- download marketing materials and New Business forms.
- quote and submit new business electronically with EXPRESS APP.
- request a review and submit your advertising electronically.
- get agent training.
- choose your own username and password.

If you need assistance logging onto the website, you will find the Login Troubleshooter on the login page. If you still have questions please contact our Agent Resource Line at 877-454-0923.

FAXAPP PROGRAM

The FaxApp Program was created by Cigna Supplemental Benefits to ensure faster processing for new business applications. This program gives you quicker issue of business and commissions.

HOW DOES IT WORK?

An application with all supporting documents is faxed to (877) 704-8186. A case number is assigned and the application is processed. Your commission is generated the day after issue.

New Business Submission Form/FaxApp

To: Cigna Supplemental Benefits **Fax #: 877-704-8186**

AGENT'S INFORMATION (Must be Completed)

FROM:	
PHONE #:	**FAX #:**
WRITING #:	**EMAIL:**
DATE:	**NUMBER OF PAGES:** + cover

APPLICANT'S INFORMATION (Must be Completed)

NAME:	**SS#:**	☐ Combo ☐ CWA ☐ Draft
NAME:	**SS#:**	☐ Combo ☐ CWA ☐ Draft
NAME:	**SS#:**	☐ Combo ☐ CWA ☐ Draft
NAME:	**SS#:**	☐ Combo ☐ CWA ☐ Draft
NAME:	**SS#:**	☐ Combo ☐ CWA ☐ Draft

All applications submitted with a single cover sheet must be from the same writing agent.

Procedures:

For the fastest service, send one application per cover sheet and only one application per transmission, unless sending a combo application. Check the Combo box if you are submitting multiple applications for one applicant. You may send up to five applications with a single cover sheet per transmission. **However, do not exceed 25 pages per transmission.** Simply complete the application and fax the following to **877-704-8186**.

- FaxApp Cover Sheet
- Application in numeric page order
- Any state specific or replacement forms where applicable
- **Copy of the initial premium check if collected from the client at Point-of-Sale or a voided check so that we can draft for the initial premium. You must submit one or the other or the application cannot be processed.**
- **Medicare Supplement Under Age 65 (disabled) cases are not eligible for the FaxApp Program. You must mail the completed application with a check for first month's premium to the Imaging - New Business address below.**

Premium:

- Agents are encouraged to utilize the bank draft authorization to draft for the first premium in lieu of collecting the initial premium from the applicant.
- If you collected initial premium from the applicant **please indicate the case number on the check** and mail the check, stapled to the top of the FaxApp cover sheet, to:

Imaging - New Business
P.O. Box 559015, Austin, TX 78755-9015

We must receive the premium within 10 days of receipt of the application. If it is not received within 10 days, we will send you a letter stating that the money for the contract must be submitted immediately. If we do not receive the check after 20 days, a letter will be sent stating the contract will be cancelled in 5 days unless we receive payment for the issued contract. **If we do not receive payment after 25 days, a letter will be sent to you and the applicant stating that the file has been closed and the contract has been cancelled due to non-payment of premium.**

Cigna®

CSB-9-0009 3/12/13

POINT-OF-SALE PHONE VERIFICATION

PHONE VERIFICATION/PRESCRIPTION DATA BASE CHECK

A PV interview and prescription data base check will be conducted on all Med Supp applicants outside an Open Enrollment or Guaranteed Issue period.

Faster Policy Issue and Faster Commissions with our Point-of-Sale Phone Verification Procedure!

The PV at the Point-of-Sale should be done while you are meeting with your client or have the client on the phone. The PV can be made with extended hours to better accommodate you in making the call at the Point-of-Sale. Having the ability to initiate this verification call at the Point-of-Sale helps speed processing and gets you paid your commissions faster!

Phone Verification Hours

Monday – Friday 8 a.m. to 6 p.m. Central time

Call the Phone Verification Hotline at: 866-825-4822 to initiate the PV process

PHONE VERIFICATION INSTRUCTIONS:

- Make sure you have completely filled out the Med Supp application prior to calling our PV line. This includes going over the entire application and questions if conducting the sale over the phone and using our EXPRESS APP process. In some cases, there are conditions disclosed during the PV that should have resulted in a field decline if the agent had asked all of the questions on the application.
- You *(the agent)* may initiate the PV call; however, the applicant must personally answer all questions. If the PV call is not initiated at the time of sale, it is your responsibility to make arrangements for the applicant to call as soon as possible. If an application is taken outside the above hours, please have the applicant call the appropriate hotline the next business day.
- If the applicant completes the PV on their own, make sure they have:
  - The plan they have chosen and the proposed rate
  - A list of their prescription medications
- The PV associate will confirm that the applicant received the following:
  - An Application
  - The *Choosing a Medigap Policy: A Guide to Health Insurance for People with Medicare* Guide
  - Outline of Coverage

The phone verification can not be conducted if the applicant does not have all the above information. The PV associate will follow an established script and will review the application questions with the applicant. The average length of call is fifteen (15) minutes. Usual and customary underwriting procedures will remain in place.

Remember: The PV is required before policy issue on all Med Supp applications. Make sure you are taking advantage of our Point-of-Sale PV procedure! *If multiple policies are being sold, be sure to notify our PV associate at the beginning of the verification call.*

You should check AgentView regularly to review current status on any pending applications.

BANK DRAFT/AUTO-PAY PROCESSING INSTRUCTIONS

Multiple applications drawn from the same bank account by *(bank draft)* are not acceptable unless written on family members and when the children involved are age 25 or younger.

CHECKING ACCOUNT BANK DRAFT/AUTO-PAY

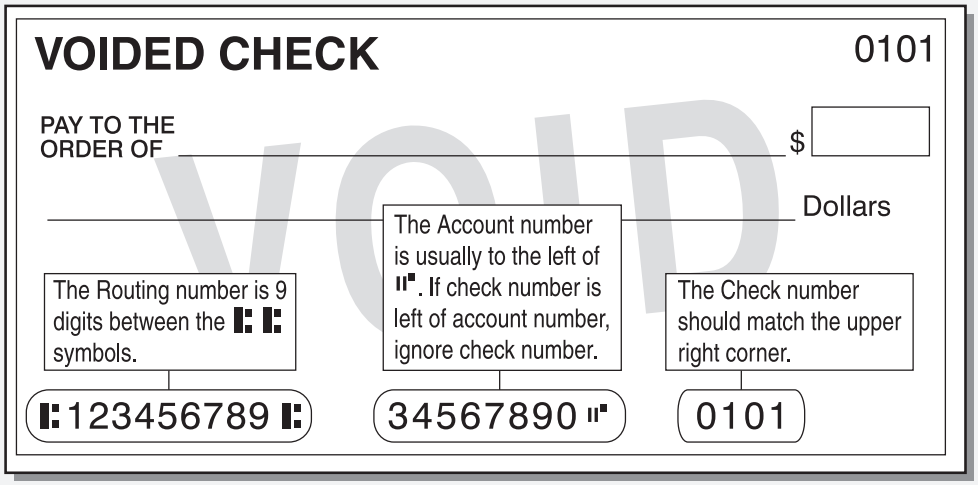
If the monthly *(bank draft/auto-pay)* method of payment is chosen from a checking account, complete the entire bank authorization section of the application, obtain the signature of the person who will assume financial responsibility for the policy, and attach a check for the first month's premium *(only if mailing the application)* and a voided check of the account that will be drafted. Please be sure to provide the bank routing number as well as the account number. We cannot process the application without this information.

SAVINGS ACCOUNT BANK DRAFT/AUTO-PAY

If the monthly *(bank draft/auto-pay)* method of payment is chosen from a savings account, we must have proof of the account number written in the bank draft authorization section. You must send a deposit slip for verification of the account information. The applicant should obtain, from their bank, the appropriate routing number to draft from a savings account as the routing number listed on the savings account deposit slip may not be correct. Mark through the routing number on the deposit slip and write in the correct routing number for withdrawals as provided by the bank. We cannot process the application without this information.

For Checking Account:
Please include a VOIDED check with the application.

For Savings Account:
Please include a letter from the bank stating the account and routing number of the savings account.



If submitting multiple applications please make sure that EACH application has the bank information completed and signed by the person responsible for payment. EACH application must also have a voided check for checking accounts or a deposit slip for a savings account attached.

BANK DRAFT/AUTO-PAY DATES

The bank draft date can be different from the effective date. The draft can be set up for any day of the month between the **1st and 28th**.

If no draft date is indicated on the application, the drafts will occur on the same day each month that corresponds with the requested effective date. For example, if the policy is effective on April 15th, the policy will draft each month on the 15th.

COMMISSIONS

VIEW COMMISSIONS ON AGENTVIEW

You can view all of your various commission information through our agent website, **AgentView** by clicking on *Agency Management* > *Commissions*. From here you can view commission statements, commission info by policy, commission summaries for Advance & Earned commissions and much more.

You can view Advance & Earned commission transactions during a specific pay cycle. You can run this Commission report for a given bi-weekly pay cycle by each of your insurance company agent numbers. Once you run the report, you will see a composite report of advance and earned commission transactions that are a part of your current, future or historical commission cycles. For current pay cycles, you will be able to see Advance transactions only. Earned transactions for current pay cycles are not currently available, but will be forthcoming in the future. On past pay cycles, there's an Earnings Summary that breaks down First Year vs Renewal earnings. Policies on both the Advances and Earnings tabs are linked into policy details which make it easy for you to find information about a particular policy.

To view commission reports on **AgentView** click on *Agency Management* > *Commissions*, then click on the Commissions Report link under the Related Links section -OR- click on *Agency Management* > *Reports* > *Commission Report*.

WHERE TO FIND COMMISSION STATEMENTS ON AGENTVIEW

To view advance statements, click on *Agency Management* > *Commissions* > *Statement*. Search for Advance statements. When you search for Commission Statements *(advance or standard/earned)*, you will be able to view the payment/direct deposit amount associated with that particular statement. Commission statements will be shown for an 18 month period.

WHERE TO FIND COMMISSION INFO BY POLICY ON AGENTVIEW

AgentView will be able to show you all of your commission information. Click on *Agency Management* > *Commissions* and you will find tabs for commission summary, policy search and statement search. You can find all commission statements for any policy by using the 'Policy Search' function on the Commissions page. Simply enter the policy number and each commission statement with that policy number will be displayed for easy viewing.

IMPORTANT COMMISSION INFORMATION

If approved by your upline and the company, advance commissions may be available. Advance commissions on newly issued business will be credited to your account on a daily basis. Advances are paid via direct deposit into the agent's account we have on file for that agent. We will only advance commissions when the initial premium is paid via bank draft/EFT or the client's personal pre-printed check. We will not advance commissions for business written on family members.

Earned first year and renewal commissions are credited to your account on a bi-weekly basis. You can find the schedule for Bi-Weekly Commission statements on **AgentView** in the 'Commissions' link under *Agency Management* > *Commissions*.

Advances are paid in increments of six, nine or twelve months. Interest is charged on all secured advance balances from inception until they are paid off. An advance balance for an in force policy *("secured advance balance")* is paid off by commission earned on that specific policy. Once the advance balance is paid off, future earned commissions are payable to the agent. If the policy advance balance becomes unsecured *(the policy lapses, etc. then the advance balance record is changed to an unsecured advance balance.* These unsecured balances are paid off by holding 100% of all commissions payable *(new advances as well as earned first or renewal commissions)* until recovered. GASBG reports only earned commissions as taxable amounts on agent 1099's.

If you have any questions about your commissions you can contact our Commissions department at 877-454-0923; option 2 and then 3.

REINSTATEMENTS

When a contract lapses, a new application, signed by the primary insured, is required for reinstatement of the contract. Mark "Reinstatement" from the options at the top of the application, complete the Medical Questions and return to the Underwriting Department at the address indicated below.

The application must be received within 30 days of the signed date on the form.

A policy within 90 days of a lapse date will be reinstated and back premiums must be paid. After the 90 days, a new application would be required. (Some exceptions may apply depending on policy language.)

If the contract is approved for reinstatement, the contract will be reinstated with the same contract number. A letter will be sent out from Client Services stating that the reinstatement has been approved and indicating the amount of premium due. Do not submit monies with the completed application.

If the reinstatement is declined, a letter will be sent from Underwriting to the customer with the reason(s) why the contract was not reinstated.

Contact the Client Services Department at **877-454-0923** or submit request for reinstatement and completed applications to:

Cigna Supplemental Benefits
P. O. Box 26580 | Austin, TX 78755-0580
Fax: 888-670-0146 | Email: CSBSupport@cigna.com

CUSTOMER AND AGENT SERVICES

ADVERTISING REVIEW AND APPROVAL

All advertising materials must be approved by our Compliance and Marketing Departments before they are used. Anything intended to generate public interest in an insurance product, company or agent is considered to be advertising. There are two ways to receive approval of your personal advertising:

1. If you have created an advertisement submit a copy of the ad for prior approval by completing an Advertising Material Review Request Form *(CSB-9-0019, found on **AgentView**)*. You can also obtain this form and complete advertising guidelines on **AgentView** under *Business Building > Creating Ads*.
2. If you are interested in one of our pre-approved advertising materials you can refer to the CSB Prospecting Portfolio for at variety of advertisements for various products. The CSB Prospecting Portfolio can also be found on **AgentView** under *Business Building > Creating Ads*.

ONCE YOU SUBMIT/SELECT YOUR ADVERTISEMENT:

Allow a minimum of five (5) business days for the Compliance Department to review the advertisement.

- Cigna Supplemental Benefits will contact the agent with approval of the advertisement or notification of changes that must be made to comply with advertising policy and regulations. Please note that many advertising pieces will also require approval by the applicable state department of insurance.
- In order for any previously disapproved advertising material to be considered further, it must be resubmitted to the Home Office with all of the necessary revisions.
- Once an advertising piece is approved, the Compliance Department will assign an advertisement Form Number, which must be included in the advertisement. This approval is good for a period of six months. Any subsequent use of the advertisement after this period must be resubmitted for approval.

For more information about our advertising policies, please call our Compliance Department at 877-454-0923 ext. 4794.

ADDITIONAL REFERENCE TOOLS

The website for the Medicare program, www.medicare.gov, contains a great deal of information regarding the program. It also contains the most popular publications listed below. You can view, print or order publications online or by calling 1-800-MEDICARE (800-633-4227). Some of these publications can also be printed from the website.

- Medicare & You
- *Choosing A Medigap Policy: A Guide to Health Insurance for People with Medicare*
- Your Medicare Benefits

Many other publications have valuable information. For example, The National Underwriter Company annually updates All About Medicare, its guide to the program.

AGENT NOTICES

Many email communications and Agent Notices are sent on a weekly basis to give you the most up to date information. A current and correct email address is vital to receive Agent Notices as well as obtain email confirmations when you submit business to us. To update your email address and other contact information contact the Licensing Department at CSBLicensing@cigna.com.

CONTACT LIST

We value you as an agent with Cigna Supplemental Benefits. Your business is very important to us and we strive to make doing business with us as easy as possible. Your first point of contact for any questions you may have should be your recruiter/up line. You can also contact the numbers and or email addresses listed below for ongoing matters.

Agent Resource Line	(877) 454-0923	
Phone Verification Hotline	(866) 825-4822	CSBNewBusiness@CIGNA.com

To reach any of the following departments, call: (877) 454-0923;
select option 2, then select the appropriate department from the menu.

New Business	CSBNewBusiness@CIGNA.com
Underwriting	CSBNewBusiness@CIGNA.com
Commissions	CSBCommissions@CIGNA.com
Licensing & Website Registration	CSBLicensing@CIGNA.com
Website Log-in Assistance	CSBAccountService@CIGNA.com
Product Availability	CSBNewBusiness@CIGNA.com
Client Services	CSBSupport@CIGNA.com

FAX NUMBERS

New Business Requirements	(888) 695-2588	
FaxApp Submission	(877) 704-8186	
Client Services/Premium Accounting	(888) 670-0146	
Claims	(512) 531-1480	
Supplies	(888) 417-8267	CSBSupplies@CIGNA.com
Commissions	(512) 531-1469	
Licensing	(888) 832-4154	

ADDRESSES

New Business/Imaging
P.O. Box 559015
Austin, TX 78755-9015

Overnight and Express Mail
Cigna Supplemental Benefits
11200 Lakeline Blvd, Suite 100
Austin, TX 78717

Client Services
P.O. Box 26580
Austin, TX 78755-0580

NOTES

ABOUT CIGNA

Cigna Corporation (NYSE: CI) believes that being true to yourself is the first step to being truly healthy. As a global health service company with a history in the insurance business that spans 220 years and maintaining sales capability internationally in 30 countries with approximately 70 million customer relationships worldwide, we are dedicated to helping the people we serve improve their health, well-being and sense of security. All Cigna products and services are provided by or through operating subsidiaries of Cigna Corporation, including Loyal American Life Insurance Company located in Austin, Texas. Loyal American has been marketing insurance products for the needs of Americans since 1955.