

Underwriting and Rate Information

2011 New Sales in Maine

The following section applies to Maine. Rates and Underwriting **vary by state**. Please refer to the appropriate state-specific handbook for information specific to a beneficiary's residence state.

Medicare Beneficiaries Age 65 and Older

Underwriting and Rate Summary

Underwriting requirements for the AARP Medicare Supplement Insurance Plans vary based on the time that has elapsed from the applicant's 65th birthday or Medicare Part B effective date, if it is later. The following chart provides a summary of the underwriting requirements and the applicable rate:

| | Time since 65th birthday or Medicare Part B Effective Date, if later | |
|---------------------------|--|---------------------------------------|
| | 0 to < 7 months | 7 months or more |
| Underwriting ¹ | No Underwriting <i>Open Enrollment Period</i> | Eligibility Underwriting ² |
| Rate ³ | Standard Rate | |

¹ Does not apply to applicants who meet guaranteed issue requirements.

² Applicants must answer the two eligibility questions in Section 5 on the application. Applicants who answer "yes" to either question are not eligible for coverage.

³ Refer to Appendix II for rates. Members who respond "yes" to the tobacco use question on the application will pay the tobacco use version of the rate shown in the chart.

Refer to the appendix for:

Appendix I – Underwriting conditions glossary

Appendix II – Rate page

Rate Discounts

Multi-Insured Discount

5 percent off the monthly premium if two members are on the same AARP membership household account and each is insured under an AARP-branded supplemental insurance policy with UnitedHealthcare. (Does not apply to AARP® MedicareRx Plans or AARP® MedicareComplete® plans.)

Automatic Payment Discount

\$2.00 per household per month when the entire household pays their premium through Electronic Funds Transfer.

Annual Payer Discount

\$24.00 per household per year for insureds who pay their entire calendar year premium in January.

NOTE: Automatic Payment discount and Annual Payer discount cannot be combined.

Rating Information

Community Rating

Community rating means all members in the same rating class pay the same rate (excludes discounts and surcharges).

Tobacco Use

Members who have smoked cigarettes or used any tobacco product at any time within the past 12 months will pay the tobacco use version of the rate for which they qualify.

Rate Guarantee

New members receive a 6-month rate guarantee from their initial plan effective date. Members will not receive an additional rate guarantee when switching from one AARP Medicare Supplement plan to another.

Rate Changes

UnitedHealthcare's monthly premium generally changes once a year. However, enrolled members may see their premium change at other times due to:

- rate guarantee ending, or
- moving into a different state

Underwriting Information

- **Who needs to be underwritten?** Applicants outside of their open enrollment period and who do not qualify for guaranteed issue are underwritten to determine eligibility.
 - **Does underwriting vary for different AARP Medicare Supplement Plans?** No.
 - **Can applicants be denied for coverage?** If applicants need to be underwritten, the only medical reasons for denial are:
 - End Stage Renal Disease (ESRD)
 - Dialysis is required
 - Applicants have been admitted to a hospital within the past 90 days (except for HIV)
 - A medical professional has recommended or discussed as a treatment option any of the following that has not been completed:
 - Hospital admittance as an inpatient (except for HIV)
 - Organ transplant
 - Back or spine surgery
 - Joint replacement
 - Surgery for cancer
 - Heart surgery
 - Vascular surgery
- The above medical reasons can be found on Section 5 of the application. If applicants answer “yes” to either question in Section 5, they will be denied coverage.
- Everyone has the right to apply. Applicants can continue the application process even if they may not qualify.
- **What if additional medical information is needed?**
The underwriter may contact applicants or their physician to clarify the information before reaching a decision.

- **What if applicants are unsure about their medical conditions?** If applicants are unsure about their medical conditions, their uncertainty should be noted on the applications and submitted to underwriting for review along with available information.

Note that Appendix I includes a glossary with short definitions of the medical conditions listed on the application. This may assist you if applicants are unsure about a listed medical condition.

- **Can an insured applicant change to a different AARP Medicare Supplement Plan?**
 - A change from an AARP Medicare Supplement Plan with an effective date of 6/1/2010 and later to another is usually permitted without underwriting. The new plan must be available at the applicant’s current age and area of residence.
 - A change from an AARP Medicare Supplement Plan with an effective date of 5/1/2010 or prior will require new rating and underwriting (same requirements as new sales).

UnitedHealthcare reserves the right to deny a plan change request at any time. If applicants are denied a plan change request, they can remain with their current plan, with no effect to their current rates.

Please ensure that the application has been completed in full. Material mistakes or incomplete responses on applications may subject applicants to loss of coverage.

Medicare Beneficiaries Age 50 to 64

Underwriting and Rate Summary

The following chart provides a summary of the underwriting requirements and applicable rate:

| | Time since Medicare Part B Effective Date | |
|--------------|--|---|
| | 0 to < 7 months | 7 months or more |
| Underwriting | No Underwriting <i>Open Enrollment Period</i> | No Underwriting (Plans are only available to applicants who meet Guaranteed Issue requirements) |
| Rate* | Standard Rate | |

* Members who respond “yes” to the tobacco use question on the application will pay the tobacco use version of the rate shown in the chart.

Rate Discounts

Multi-Insured Discount

5 percent off the monthly premium if two members are on the same AARP membership household account and each is insured under an AARP-branded supplemental insurance policy with UnitedHealthcare. (Does not apply to AARP® MedicareRx Plans or AARP® MedicareComplete® plans.)

Automatic Payment Discount

\$2.00 per household per month when the entire household pays their premium through Electronic Funds Transfer.

Annual Payer Discount

\$24.00 per household per year for insureds who pay their entire calendar year premium in January.

NOTE: Automatic Payment discount and Annual Payer discount cannot be combined.

Rating Information

Community Rating

Community rating means all members in the same rating class pay the same rate (excludes discounts and surcharges).

Tobacco Use

Members who have smoked cigarettes or used any tobacco product at any time within the past 12 months will pay the tobacco use version of the rate for which they qualify.

Rate Guarantee

New insureds receive a 6-month rate guarantee from their initial plan effective date. Insureds will not receive an additional rate guarantee when switching from one AARP Medicare Supplement plan to another.

Rate Changes

UnitedHealthcare’s monthly premium generally changes once a year. However, enrolled members may see their premium change at other times due to:

- rate guarantee ending, or
- moving into a different state

Underwriting Information

There is no underwriting for beneficiaries age 50 to 64.

Providing a Preliminary Quote

New Sales in Maine

The following worksheet is for producer use only and must not be distributed to consumers. You can use this worksheet to become more familiar with our rate-quoting methods. You can download it through the agent portal. Producers are welcome to print and fill out for different application scenarios.

Before quoting rates, be sure to review requirements in this handbook for:

- Eligibility
- Open Enrollment and Guaranteed Issue
- Plan Availability
- Underwriting and Rates

| Medicare Beneficiaries 65 and Older | | |
|-------------------------------------|------------|--|
| 1 | Rate | If the applicant is eligible to enroll, he or she will receive the Standard rate. Be sure to use the correct page for tobacco or non-tobacco use. |
| 2 | Disclaimer | Provide the rate quote disclaimer: <i>“Rates are subject to change. Actual rate will be determined upon acceptance into the program based upon eligibility criteria and your medical conditions, if applicable.”</i> |

Plan Change Situations

The rating and underwriting requirements for applicants who want to change from one AARP Medicare Supplement Plan to another are the same as new sales.

Rating and underwriting requirements vary based on the effective date of the applicant’s current AARP Medicare Supplement Plan:

| Current AARP Medicare Supplement Plan Effective Date | Underwriting Requirements | Rating Requirements |
|--|---|---|
| 5/1/2010 or prior | Same as new sales (refer to Underwriting and Rate Summary Chart) | Same as new sales (refer to Underwriting and Rate Summary Chart) |
| 6/1/2010 or later | None ¹ | Same rate level as current plan ² |

¹ Applicants do not need to answer health questions in Section 5 on the enrollment application.

² Discounts for which the applicant is currently eligible will continue to apply, assuming no other changes have occurred that affect eligibility for the discount.

Appendix I

Completing the Application: Medical Terms and Conditions Glossary

- This glossary has brief descriptions for terms and medical conditions that may be helpful for the applicant in completing the application. It also includes other names that may be used for some medical conditions.
- Medical terms and conditions listed below generally appear in the order they appear on the application.
- The applicant is responsible for making sure that all answers to application questions are accurate and completed in full.
- This glossary is provided for informational purposes ONLY. The applicant should consult his or her physician if they need help answering medical questions on the application form.

| Terms found on the application | What those terms generally mean |
|--|---|
| End Stage Renal (Kidney) Disease (ESRD) | A complete or almost complete failure of the kidneys to function, requiring dialysis or a kidney transplant to live. |
| Dialysis | A process of cleansing your blood by passing it through a machine (hemodialysis), or putting special fluid into the abdominal cavity and draining it out (peritoneal dialysis). This is necessary when the kidneys are not able to filter blood. |
| Recommended or discussed as a treatment option | <p>You talked to a medical professional about:</p> <ul style="list-style-type: none">• needing to go into the hospital as an inpatient (Except for HIV) and/or• having surgery for<ul style="list-style-type: none">– organ transplant,– back or spine,– joint replacement,– cancer, or– heart or vascular condition (vascular has to do with the blood vessels of the body) |

Appendix II

Cover Page - Rates for Maine Monthly Plan Rates

AARP® Medicare Supplement Insurance Plans insured by UnitedHealthcare Insurance Company

| Age ¹ | Plan A | Plan B | Plan C | Plan F | Plan K | Plan L | Plan N |
|------------------|----------------------------------|----------|----------|----------|---------|----------|----------|
| | Standard Rates | | | | | | |
| 65+ | \$101.50 | \$141.00 | \$162.00 | \$164.00 | \$61.00 | \$97.50 | \$112.75 |
| | Standard Rates for Tobacco Users | | | | | | |
| 65+ | \$111.65 | \$155.10 | \$178.20 | \$180.40 | \$67.10 | \$107.25 | \$124.02 |

| Applies to individuals under the age of 65 who are eligible for Medicare by reason of disability | | | | | | | |
|--|-------------------|----------|----------|----------|---------|----------|----------|
| Age ¹ | Plan A | Plan B | Plan C | Plan F | Plan K | Plan L | Plan N |
| | Non-Tobacco Rates | | | | | | |
| 50-64 | \$101.50 | \$141.00 | \$162.00 | \$164.00 | \$61.00 | \$97.50 | \$112.75 |
| | Tobacco Rates | | | | | | |
| 50-64 | \$111.65 | \$155.10 | \$178.20 | \$180.40 | \$67.10 | \$107.25 | \$124.02 |

The rates above are for plan effective dates from January - December 2011.

¹ Your age as of your plan effective date.