

FUNCTIONAL IMPAIRMENT

CORE



TECHNICAL SPECIFICATION



BENEFIT DESCRIPTION

TRIARC will pay 100% of the benefit amount as a lump sum if the insured life meets the requirements of one of the defined claim events.

TYPE OF BENEFIT

Standalone or Accelerator

AGE LIMITS

Minimum Entry Age: 18
Maximum Entry Age: 60

BENEFIT TERM

Minimum Term: 5 years
Maximum Term: to age 65

BENEFIT LIMITS

Minimum sum assured: R 50 000
Maximum sum assured: R 5 000 000*

* Subject to medical and financial underwriting

PREMIUM INCREASE OPTIONS

The policyholder may choose premium and/or benefit amount increase.

LEVEL PREMIUM PATTERN

Benefit Increases: 0%, 3% and 6%

COMPULSORY 5% PREMIUM PATTERN

Benefit Increases: 0%, 3% and 6%

*Where a benefit increase is chosen the premium will increase additional to the premium pattern chosen. Should the compulsory 5% premium pattern be chosen and a benefit increase be chosen the premium increase is added to the premium pattern not multiplied.

PREMIUM GUARANTEE

5 years or experience rated

CLAIM EVENT

A claim will be considered if, after the commencement of the policy:

- The insured life suffers an event which results in a functional impairment and
- The diagnosis of this functional impairment is made by an appropriate specialist who is registered with the HPCSA and
- The functional impairment is a covered condition as listed on the claim event schedule and
- The functional impairment, after Reasonable Optimal Treatment and Maximal Medical Improvement, is of such severity that it complies with the definitions as shown on the insured event schedule.

The claim events are not in any way linked to the insured life's ability to perform occupational activities.

The insured life must undergo Reasonable Optimal Treatment (ROT) and his functional impairment will be determined after he has reached Maximal Medical Improvement (MMI). At this stage, an approved specialist must declare the functional impairment total, permanent and continuous for the foreseeable future. The insured life will not be required to undergo reasonable optimal treatment if a specialist, has established that the functional impairment is permanent and that further treatment will not lessen the severity of the condition.

REASONABLE OPTIMAL TREATMENT*

This is the treatment that the insured life is reasonably expected to undergo according to the guidelines for the specific condition under the generally accepted medical practice at claim stage. It is expected that the insured life comply with his treatment routine.

MAXIMAL MEDICAL IMPROVEMENT**

A condition or state that is well stabilised and unlikely to change substantially in the next year with or without medical treatment. There may be some change over time, but further recovery is not expected.

A panel of accredited medical specialists will determine how many Activities of Daily Living (ADL) the insured life is able to perform.

A claim will be admitted only if the claim event is a permanent condition.

The claim events are not in any way linked to the insured life's ability to perform occupational activities.

CLAIM AMOUNT

100% of the benefit amount is paid if the insured life meets the requirements of one of the defined functional impairment events, less any outstanding debt.

NOTIFICATION PERIOD

The insured life needs to notify TRIARC of a claim within 60 days of the claim event having occurred, failing which TRIARC, reserves the right to deny claims submitted after the notification period.

ACCELERATED BENEFITS

When the benefit is an accelerated benefit:

- Any claim amount paid will reduce the Life cover by an equivalent amount.
- If the life cover has already been reduced by a previous accelerated disability, functional impairment or dread disease claim and the remaining life cover is less than the functional impairment amount, then the functional impairment amount will be automatically

reduced to that of the remaining life cover.

- If the life cover is exhausted by a claim, the dread disease benefit will end.

SURVIVAL PERIOD

To qualify for a claim, the insured life must survive for a period of 14 days from the date of diagnosis of the impairment.

BENEFICIARIES AND CESSIONS

The policy holder may not nominate beneficiaries. Collateral cessions are only allowed on stand-alone benefits.

BENEFIT TERMINATION EVENTS

The benefit ends on the earliest of:

- The death of the insured life
- The end of the benefit term
- The payment of the full benefit
- In the case of an accelerated benefit, the exhaustion of the underlying Life Cover.

The cancellation of the policy or benefit as a result of:

- Any event covered in the policy contract
- Notification of the policyholder.

FUNCTIONAL IMPAIRMENT BENEFIT EVENT DEFINITIONS

CARDIOVASCULAR SYSTEM

100% OF BENEFIT

- New York Heart Association (NYHA)
Class IV
OR
- Ejection fraction (EF) <40%

Regurgitant valve dysfunction and all cardiac diseases will be assessed on the basis of heart function with NYHA OR LVEF after the insured life has reached the stage of "Maximum Medical Improvement" (MMI). (Examples of diseases and disorders that will fall under this category: Myocardial infarction, ischaemic heart disease, valvular disease and cardiomyopathy).

ARRHYTHMIA

100% OF BENEFIT

- Symptoms due to documented cardiac arrhythmia that is constant AND that interfere with ordinary daily activities (functional class III or IV of the New York Heart Association or ejection fraction (EF) < 45%)
OR
- The insured life has recovered from surgery, a catheter procedure, or implantable cardioverter defibrillator placement to treat arrhythmia and continues to have symptoms that cause the impairment outlined above
WITH
- The insured life continues to have episodes of syncope that are either due to, or have a high probability of being related to, arrhythmia. To fit into this category of impairment, symptoms must be present despite use of dietary therapy, drugs, or artificial pacemakers.

PERIPHERAL ARTERIAL DISEASE

100% OF BENEFIT

- No palpable pulses confirmed by absent Doppler readings, or severe vascular ulceration or gangrene as confirmed by a vascular surgeon.

HYPERTENSION

100% OF BENEFIT

Uncontrolled, treatment-resistant hypertension, with end organ damage. Will be assessed under the following:

- Cardiovascular impairment: refer to cardiovascular parameters.
- Renal impairment: refer to renal parameters.
- Neurological impairment: refer to aphasia, cranial nerves and hemiplegia.
- Visual impairment: refer to visual parameters.

RED BLOOD CELL DISORDERS

100% OF BENEFIT

- Hb 5-8g/dL and 2-3U transfusion every 2 weeks.

WHITE BLOOD CELL DISORDERS

100% OF BENEFIT

- Scoring 6 or more on the Activities of Daily Living Scale (ADL).

CLOTTING DISORDERS

100% OF BENEFIT

- Scoring 6 or more on the Activities of Daily Living Scale (ADL).

RESPIRATORY SYSTEM

100% OF BENEFIT

Impaired airflow with:

- FEV1 ≤40%
OR
- FVC ≤40%
OR
- DCO ≤40%

FEV1 stands for "Forced expiratory volume in 1 second". FVC stands for "Forced vital capacity". DCO stands for "Diffusing capacity for carbon monoxide". A pulmonologist must perform the above tests and 3 readings should be recorded over a period of 3 months. Pulmonary function tests, performed on standardised equipment with validated administration techniques, provide the framework for evaluation of respiratory system impairment. Spirometric testing equipment and administration techniques must conform to the guidelines of the 1994 ATS (American thoracic society) Statement on Standardisation of Spirometry.

GASTRO-INTESTINAL TRACT AND LIVER AND BILIARY DISEASE

100% OF BENEFIT

- o Greater than 25% weight loss below the desirable weight due to organic disease of the Gastro intestinal tract as confirmed by a gastroenterologist or other specialist (refer to tables in AMA-guide).
- OR
- o Progressive chronic liver disease with at least 2 of the following:
 - S-bilirubin more than 51 micromol/L
 - S-albumin less than 30 g/L
 - Prothrombin time, more than 6 sec prolonged / INR > 2.3
 - Poorly controlled ascites
 - Advanced hepatic encephalopathy.
- OR
- o Irreparable biliary tract obstruction with cholangitis, persistent jaundice and progressive liver disease as certified by surgeon or gastroenterologist.
- OR
- o Complete faecal incontinence unresponsive or not amenable to therapy with medical evidence or organic disease
- OR
- o Inability to swallow and confirmed physiological/neurological disorder where medical intervention has been indicated.
- OR
- o Irreparable hernia with ongoing bowel dysfunction as evidenced by ongoing and recurrent diarrhoea, bloody stool with or without stomach cramps or constipation or recurrent bowel dysfunction.

ANORECTAL IMPAIRMENT

100% OF BENEFIT

Insured life has no reflex regulation or voluntary control of the anus or rectum due to permanent impairment where medical evidence of organic pathology has been proven. (See Gastro-intestinal Tract).

IMPAIRMENT OF THE BLADDER

100% OF BENEFIT

The insured life has no reflex regulation or voluntary control of the bladder due to permanent impairment where medical

evidence of organic pathology has been proven.

RENAL SYSTEM

100% OF BENEFIT

- o End-stage renal disease with a creatinine clearance below 28ml/min (40L/24h).
- OR
- o Renal function deterioration that requires permanent peritoneal dialysis or haemodialysis as confirmed by a urologist or nephrologist

ENDOCRINE SYSTEM

100% OF BENEFIT

- o Scoring 6 or more on the Activities of Daily Living Scale (ADL).

Eg. Hypothalamic pituitary axis, hypoadrenalism, hyperadrenocorticism, pheochromocytoma.

DIABETES MELLITUS - TYPE 1 AND 2

A claim will be considered if there is end organ damage under the following:

- o Cardiovascular impairment - refer to cardiovascular parameters.
- o Renal impairment - refer to renal parameters.
- o Visual impairment - refer to visual parameters.

GAIT DISORDERS

100% OF BENEFIT

- o Cannot stand without help, mechanical support and/or an assistive device.

A gait disorder only refers to disorders of the cerebellum.

IMPAIRMENT OF CONSCIOUSNESS AND AWARENESS

100% OF BENEFIT

- o Irreversible unconsciousness/coma of an organic nature and not amenable to therapy.

PSYCHIATRIC CONDITION

100% OF BENEFIT

- o Scoring 6 or more on the Activities of Daily Living Scale. Diagnosis according to DSM IV classification and certification by a specialist psychiatrist.

EPILEPSY

100% OF BENEFIT

- Uncontrolled, treatment-resistant, generalised seizures or epilepsy as certified by a specialist or neurologist to verify reasonable treatment with loss of independent existence.
- OR
- Permanent neurological deficits of focal or generalised nature confirmed radiologically and clinically by a specialist or neurologist.

DEMENTIA

100% OF BENEFIT

- Must fall into the CDR 2.0 rating (refer to Clinical Dementia Rating table).

APHASIA

100% OF BENEFIT

A total and permanent loss of the ability to express himself by speech, writing, or signs, or to comprehend spoken or written language, due to injury or disease of the brain as confirmed by a specialist or neurologist. There must be permanent deficits in the formal aspects of language such as naming, word choice, comprehension, spelling and syntax.

HEARING

100% OF BENEFIT

- Total, permanent and irreversible loss of hearing in both ears, as confirmed by audiometry and an ear, nose and throat surgeon.

VISUAL

100% OF BENEFIT

- Bilateral visual impairment of 70% that is a reading of 20/200 in both eyes as confirmed by an ophthalmologist.
- OR
- Diabetic retinopathy grade IV. An ophthalmologist needs to confirm this.
- OR
- Hypertensive retinopathy grade IV. An ophthalmologist needs to confirm this.

SPEECH

100% OF BENEFIT

Total, permanent and irreversible loss of the ability to speak due to injury or disease, as confirmed by an ear, nose and throat surgeon, neurologist or neurosurgeon.

FACIAL DISORDERS AND/OR DISFIGUREMENT

100% OF BENEFIT

Total distortion of normal facial anatomy with disfigurement so severe that it precludes (prevents) social acceptance, as confirmed by an ear, nose and throat specialist and/or neurosurgeon and/or or maxillofacial specialist.

CRANIAL NERVE VII (FACIAL NERVE)

100% OF BENEFIT

Severe unilateral facial paralysis with 75% loss of function as defined by a score of Grade V or VI according to the House-Brackman Facial Nerve Palsy Grading System which can be described as: A permanent condition with no or slight movement of one half of the face with asymmetry at rest and incomplete or no eyelid closure and slight or no movement of the mouth due to facial nerve impairment.

CRANIAL NERVE VIII (VESTIBULOCOCHLEAR NERVE)

100% OF BENEFIT

Nerve damage with moderately-severe disequilibrium scoring 6 or more on the Activities of Daily Living scale (ADL).

CRANIAL NERVES IX, X, XII

100% OF BENEFIT

Paralysis with severe inability to swallow or handle oral secretions without choking, with need for assistance and suctioning where organic pathology has been medically proven.

NEUROLOGICAL IMPAIRMENT OF RESPIRATION

100% OF BENEFIT

The insured life has no capacity for spontaneous respiration where organic pathology has been medically proven.

CANCER

100% OF BENEFIT

- Scoring 40 on the Karnofsky Performance Index.
- OR
- At least a stage III cancer defined as carcinoma within organ and extension outside organ of origin with or without regional lymph node involvement and/or distant metastasis after MMI.

CHRONIC BACK AND NECK CONDITIONS

The neck and lower back are part of the spine. The spinal regions are:

- Cervical region (C1-C7)
- Thoracic region (T1-T12) and
- Lumbosacral region (L1-S1)

The C7 to T1 joint will be classified in the cervical region, and the T12 to L1 joint in the thoracolumbar region.

100% OF BENEFIT

- At least four of the five diagnoses listed below must be made by an orthopaedic or neurosurgeon per region. A maximum of one claim will be allowed.
- OR
- Confirmed diagnosis of Cauda equine

List of five diagnosis:

1. 50% or more compression of a vertebral body or multiple level compression fractures giving rise to kyphotic deformity.
2. Clinically significant radiculopathy (motor and sensory deficit or muscle atrophy and clinical signs of nerve tension (positive Laseque and Stretch signs) and radiological evidence at the same site as clinically found.
NB – We will not accept radiological signs of nerve compression without clinical evidence of neurological involvement as proof of functional impairment.
3. Alteration of motion segment integrity (instability) using flexion and extension radiographs (X-rays): translation instability of at least 5mm or more particularly with neurological deficit.

4. Multiple back or cervical operations (i.e. two or more on separate occasions within a period of 5 years) comprising laminectomy, discectomy or fusion, or a combination thereof.
5. Chronic pain syndrome due to:
 - a chronic spinal condition as certified by an orthopaedic or neurosurgeon
 - duration of two years or more
 - evaluation and reasonable treatment by a multidisciplinary pain clinic.

PARAPLEGIA

100% OF BENEFIT

The total and permanent loss of the functioning of both legs due to injury or disease of the spinal cord as confirmed by a neurologist or neurosurgeon.

QUADRIPLÉGIA

100% OF BENEFIT

The total and permanent loss of the functioning of both upper and both lower limbs due to injury or disease of the spinal cord as confirmed by a neurologist or neurosurgeon.

HEMIPLEGIA

100% OF BENEFIT

The total and permanent loss of the functioning of only one side of the body due to brain injury or disease as confirmed by a neurologist or neurosurgeon.

DIPLEGIA

100% OF BENEFIT

The total and permanent loss of the functioning of both sides of the body, where the legs are affected more than the arms due to injury or disease of the spinal cord as confirmed by a neurologist or neurosurgeon.

LOCOMOTOR SYSTEM

UPPER EXTREMITIES

100% OF BENEFIT

- 80% or more impairment of both upper limbs.

EXAMPLE:

The total and permanent loss of:

- One hand is a 90% impairment of an upper limb.

- One thumb is a 36% impairment of an upper limb.
- Thumb, index and ring fingers are a 51% impairment of an upper limb.

LOWER EXTREMITIES

100% OF BENEFIT

- 70% or more impairment of both lower limbs.

EXAMPLE:

The total and permanent loss of:

- foot is a 45% impairment of a lower limb
- toes are not included.

COMBINATION OF UPPER AND LOWER EXTREMITIES

100% OF BENEFIT

- 80% or more impairment of both an upper and a lower limb.

EXAMPLE:

We will assess the percentage of functional impairment according to:

- Abnormal motion
- Sensory loss or motor loss and
- Amputation.

As per the most current edition of the AMA guidelines for the Evaluation of Permanent Impairment.

MAJOR BURNS: THIRD-DEGREE BURNS

100% OF BENEFIT

- At least 30% of total body surface.

SKIN DISORDERS

100% OF BENEFIT

- Permanent irreversible skin disorders that is systemic in nature and on continuous treatment for at least 3 months and affecting >50% of body surface, including hands.

ACTIVITIES OF DAILY LIVING (ADL)

100% OF BENEFIT

- Score of 6 or more on the Activities of Daily Living (ADL) scale.

This category caters for any diseases and disorders that may not fall into any of the Schedule of Definitions as listed above, but

might still incapacitate the insured life enough to warrant an impairment benefit.

An insured life with a combination of symptoms and signs that do not qualify for a benefit under any one system listed in the Schedule of Definitions above will be assessed under the Activities of Daily Living (ADL) category.

These Activities of Daily Living (ADL) will be used to determine the level of impairment.

The Activities of Daily Living Scale works on a points system, with a maximum of 6 points being scored in any one category. Only one item in each of the seven categories may be checked before the total score is calculated.

The insured life must be totally and continually unable to perform the specified Activity of Daily Living, with no possibility of improvement in the future (i.e. Maximum Medical Improvement must have been reached). Suitable treatment and/or rehabilitation options must be followed before the benefit is paid.

The scales are used to assess the insured life's current ability to perform the following activities, with the use of the appropriate assistive aids and appliances where necessary. Where an assistive device is available but the insured life's chooses not to make use of it, the criteria will be assessed based on the ability to perform the task with the use of the assistive device. Note that one and only one criterion may be selected in each category.

ACTIVITIES

WASHING

LEVEL 1 = 0

The insured life is able to wash without physical assistance or supervision, and may enter and exit the bath or shower without the assistance of another person.

LEVEL 2 = 1

The insured life needs some supervision with bathing or showering and needs the assistance of another person when entering and exiting the bath.

LEVEL 3 = 2

The insured life relies entirely on the assistance of another person to wash, bath or shower.

DRESSING

LEVEL 1 = 0

The insured life can independently put on or take off all garments usually worn, including securing and unfastening garments, and if appropriate, any braces, artificial limbs or other surgical appliances.

LEVEL 2 = 1

The insured life always requires the assistance of another person in fastening garments and, if appropriate, any braces, artificial limbs or other surgical appliances usually worn, but can dress himself.

LEVEL 3 = 2

The insured life cannot dress himself at all and needs the assistance of another person in the selection and application of all garments, including all braces, artificial limbs or other surgical appliances.

EATING AND FEEDING

LEVEL 1 = 0

The insured life is able to eat independently once the food has been prepared and made available.

LEVEL 2 = 1

The insured life is able to feed himself, but some assistance is always required (e.g. in cutting food).

LEVEL 3 = 2

The insured life must always be fed by another person due to his physical inability to feed himself.

TOILETING

LEVEL 1 = 0

The insured life has full control over bladder and bowel functions or possibly experiences infrequent incontinence but takes his own precautionary measures so that physical assistance is not required.

LEVEL 2 = 1

The insured life experiences periodic occurrences of incontinence despite having taken precautionary measures such as the use of protective undergarments or surgical appliances.

LEVEL 3 = 2

The insured life has total incontinence of bladder or bowel, or provision of a permanent catheter or colostomy is required.

PHYSICAL ACTIVITY

LEVEL 1 = 0

The insured life is able to move independently between indoor rooms on a level surface with at most the aid of a walking cane or other assistive device (including a wheelchair).

LEVEL 2 = 1

The insured life requires partial physical assistance from another person, even with the use of support apparatus and a walking cane or other assistive device (including a wheelchair), in order to move between rooms on a level surface.

LEVEL 3 = 2

The insured life requires constant physical assistance from another person for mobility between indoor rooms, despite the use of appropriate support apparatus, walking cane or wheelchair.

TRANSFERRING

LEVEL 1 = 0

The insured life moves independently of the assistance of another person, and may transfer from bed to chair independently with, at most, the assistance of a walking cane or other ambulatory device.

LEVEL 2 = 1

The insured life moves independently of physical assistance but uses support apparatus and transfers from bed to chair can be achieved with, at most, the assistance of a walking cane or other ambulatory device.

LEVEL 3 = 2

The insured life relies partially on the assistance of another person to move. Transfers between bed and chair can only be achieved with the assistance of another person.

LEVEL 4 = 4

The insured life is bedridden and relies entirely on the assistance of another person for transfers.

COGNITIVE IMPAIRMENT

LEVEL 1 = 0

The insured life's cognitive ability is unimpaired regardless of any presence of irreversible cognitive deterioration or damage that is organic in nature.

LEVEL 2 = 2

The insured life medically requires periodic assistance or direct supervision to perform activities of daily living, due to deterioration in or damage to cognitive ability, which is irreversible and organic in origin. This must be measured by clinical evidence and standardised neuropsychological testing that a neurologist or psychiatrist has confirmed.

LEVEL 3 = 6

The insured life medically requires constant assistance to perform the above activities of daily living, due to deterioration in or damage to cognitive ability that is irreversible and organic in nature. This must be measured by clinical evidence and standardised neuropsychological testing that a neurologist or psychiatrist has confirmed.

IMPAIRMENT LEVEL AND CDR SCORE

MEMORY (M)

NONE = 0

No memory loss or sight inconsistent forgetfulness.

QUESTION = 0.5

Consistent sight forgetfulness; partial recollection of events; "benign" forgetfulness.

MILD = 1.0

Moderate memory loss; more marked for recent events; defect interferes with everyday activities.

MODERATE = 2.0

Severe memory loss; only highly learned material retained; new material rapidly lost.

SEVERE = 3.0

Severe memory loss; only fragments remain.

ORIENTATION (O)

NONE = 0
Fully oriented.

QUESTION = 0.5
Fully oriented except for slight difficulty with time relationships.

MILD = 1.0
Moderate difficulty with time relationships; oriented for place at examination; may have geographic disorientation elsewhere.

MODERATE = 2.0
Severe difficulty with time relationships; usually disoriented to time, often to place.

SEVERE = 3.0
Oriented to person only.

JUDGEMENT AND PROBLEM SOLVING (JPS)

NONE = 0
Solves everyday problems and handles business and financial affairs well; judgement good in relations to past performances.

QUESTION = 0.5
Slight impairment in solving problems, similarities and differences.

MILD = 1.0
Moderate difficulty coping with problems, similarities and differences; social judgement usually in place.

MODERATE = 2.0
Severely impaired in handling problems, similarities and differences; social judgement usually impaired.

SEVERE = 3.0
Unable to make judgements or solve problems.

COMMUNITY AFFAIRS (CA)

NONE = 0
Independent function at usual level in job, shopping, volunteer and social groups.

QUESTION = 0.5
Slight impairment in these activities.

MILD = 1.0
Unable to function independently at these activities, although may still be engaged in some; appears normal to casual inspection.

MODERATE = 2.0
No pretence of independent function outside home. Appears well enough to be taken to functions outside a family home.

SEVERE = 3.0
No pretence of independent function outside home. Appears too ill to be taken to functions outside.

HOME AND HOBBIES (HH)

NONE = 0
Life at home, hobbies, and intellectual interests well maintained.

QUESTION = 0.5
Life at home, hobbies and intellectual interests slightly impaired.

MILD = 1.0
Mild but definite impairment of function at home; more difficult chores abandoned; more complicated hobbies and interests abandoned.

MODERATE = 2.0
Only simple chores preserved; very restricted interests, poorly maintained.

SEVERE = 3.0
No significant function in home.

PERSONAL CARE (PC)

NONE = 0

Fully capable of self-care.

QUESTION = 0.5

Fully capable of self-care.

MILD = 1.0

Needs prompting.

MODERATE = 2.0

Requires assistance in dressing, hygiene, keeping of personal effects.

SEVERE = 3.0

Requires much help with personal care; frequent incontinence.