

# *Aflac Group Hospital Indemnity Plan*

## **Plan Description**

The Group Supplemental Hospital Indemnity Plan provides benefits for inpatient and outpatient services as a result of covered accidents and sicknesses.

## **Plan Features**

- Benefits available for spouse and/or dependent children.
- Pays regardless of any other insurance programs.
- Premiums are paid by convenient payroll deduction.
- Covers both injuries and sicknesses.
- Admission and per day Hospital Confinement Benefits included.
- Surgery and Anesthesia Benefits included.
- The plan is portable with certain stipulations

## **Individual Eligibility**

Issue Ages

Employee 18-64

Spouse 18-64

Children under age 26

## **Spouse and Dependent Children Coverage Available**

The employee may purchase Group Supplemental Hospital Indemnity coverage for their spouse and/or dependent children. The spouse and dependent children cannot participate if the employee is not eligible for coverage or elects not to participate. If the employee is eligible then the employee's spouse and dependent children are eligible to participate.

## **Guaranteed-Issue**

During the initial enrollment, coverage is guaranteed-issue, which means you may not have to answer health questions to be eligible for coverage. Subsequent to the initial enrollment, evidence of insurability may be required.

## **Portability**

When coverage would otherwise terminate because an employee ends his employment, coverage may be continued. He may exercise the Portability Privilege when there is a change to his coverage class. The employee — and any covered dependents — will continue the coverage that is in-force on the date employment ends. The continued coverage will be provided under Class II.

The premium rate for portability coverage may change for the class of covered persons on portability on any premium due date. Written notice will be given at least 45 days before any change is to take effect.

The employee may continue the coverage until the earlier of:

- the date he fails to pay the required premium; or
- the date the class of coverage is terminated.

Coverage may not be continued:

- if the employee fails to pay any required premium; or
- if the Company receives notice of Class I plan termination.

## Benefits

Hospital Confinement (per day)	
Plan I	\$100
Plan II	\$150

We will pay the amount shown when an insured is confined to a hospital as a resident bed patient as the result of an injury or because of a covered sickness. To receive this benefit for injuries received in an injury, the insured must be confined to a hospital within six months of the date of the covered accident.

The maximum period for which a covered person can collect benefits for hospital confinements resulting from covered sickness or from injuries received in the same covered accident is 180 days.

This benefit is payable for only one hospital confinement at a time—even if the confinement is a result of more than one covered accident, more than one covered sickness, or a covered accident and a covered sickness.

Hospital Admission (per confinement)	
Plan I	\$500
Plan II	\$1,500

We will pay the amount shown when an insured is admitted to a hospital and confined as a resident bed patient because of an injury or because of a covered sickness. To receive this benefit for injuries received in a covered accident, an insured must be admitted to a hospital within six months of the date of the covered accident.

We will not pay benefits for confinement to an observation unit, for emergency room treatment, or for outpatient treatment. We will pay this benefit only once for each covered accident or covered sickness. If an insured is confined to the hospital because of the same or related injury or sickness, we will not pay this benefit again.

This benefit option will be based on the insured's current major medical plan's deductible to assist the insured in meeting the out-of-pocket liability.

*Residents of Massachusetts are not eligible for Hospital Admission Benefit amounts in excess of \$500*

Surgical Benefit (per procedure)	
Plan I	Up to \$750
Plan II	Up to \$1,500

If an insured has surgery performed by a physician due to an injury or because of a covered sickness, we will pay the appropriate surgical benefit amount shown in the Schedule of Operations. The surgical benefit paid will never exceed the maximum surgical benefit designated in the plan. The surgery can be performed in a hospital (on an inpatient or outpatient basis), in an ambulatory surgical center, or in a physician's office.

If an operation is not listed in the Schedule of Operations, we will pay an amount comparable to that which would be payable for the operation listed in the Schedule of Operations (the operation that is nearest in severity and complexity).

If two or more surgical procedures are performed at the same time through the same or different incisions, only one benefit—the largest—will be provided.

Anesthesia Benefits	
<b>Plan I</b>	Up to \$188
<b>Plan II</b>	Up to \$375

When an insured receives benefits for a surgical procedure covered under the Surgical Benefit, we will pay the appropriate benefit amount shown in the Schedule of Operations for anesthesia administered by a physician in connection with such procedure. However, the Anesthesia Benefit paid will not exceed 25 percent of the amount paid under Surgical Benefit.

Wellness (per calendar year)	
<b>Plan I &amp; II</b>	\$50

We will pay the amount shown when an insured visits a doctor and he is neither injured nor sick. This benefit is payable once per calendar year per insured.

## Limitations and Exclusions

### Pre-Existing Condition Limitation

A **pre-existing condition** means, within the 12-month period prior to the insured's effective date, conditions for which medical advice or treatment was received or recommended.

We will not pay benefits for any loss or injury that is caused by, contributed to by, or resulting from a pre-existing condition for 12 months after the insured's effective date or for 12 months from the date medical care, treatment, or supplies were received for the pre-existing condition—whichever is less.

A claim for benefits for loss starting after 12 months from the effective date of the insured's certificate will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

Pregnancy will not be covered if conception was before the Effective Date of the Insured Person's Certificate. Pregnancy will be covered as any other sickness when date of conception is after the Insured Person's Effective Date of coverage.

Treatment means consultation, care, or services provided by a physician, including diagnostic measures and taking prescribed drugs and medicines.

If the certificate is issued as a replacement for a certificate previously issued under this plan, then the pre-existing condition limitation provision of the new certificate applies only to any increase in benefits over the prior certificate. Any remaining pre-existing condition limitation period of the prior certificate continues to apply to the prior level of benefits.

### Exclusions

We will not pay benefits for loss caused by pre-existing conditions (except as stated in the Pre-Existing Condition Limitation provision above).

We will not pay benefits for loss contributed to by, caused by, or resulting from:

1. War – Participating in war or any act of war, declared or not, or participating in the armed forces of or contracting with any country or international authority. We will return the prorated premium for any period not covered by this certificate when the insured is in such service.
2. Suicide – Committing or attempting to commit suicide, while sane or insane.
3. Self-Inflicted Injuries – Injuring or attempting to injure yourself intentionally.
4. Traveling – Traveling more than 40 miles outside the territorial limits of the United States, Canada, Mexico, Puerto Rico, the Bahamas, Virgin Islands, Bermuda, and Jamaica.
5. Racing – Riding in or driving any motor-driven vehicle in a race, stunt show or speed test.
6. Aviation – Operating, learning to operate, serving as a crewmember on, or jumping or falling from any aircraft, including those, which are not motor-driven.

7. Intoxication – Being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a physician.
8. Illegal Acts – Participating or attempting to participate in an illegal activity, or working at an illegal job.
9. Sports – Participating in any organized sport: professional or semi-professional.
10. Routine physical exams and rest cures.
11. Custodial care. This is care meant simply to help people who cannot take care of themselves.
12. Treatment for being overweight, gastric bypass or stapling, intestinal bypass, and any related procedures, including complications.
13. Services performed by a relative.
14. Services related to sex change, sterilization, in vitro fertilization, reversal of a vasectomy or tubal ligation.
15. A service or a supply furnished by or on behalf of any government agency unless payment of the charge is required in the absence of insurance.
16. Elective abortion.
17. Treatment, services, or supplies received outside the United States and its possessions or Canada.
18. Injury or sickness covered by Worker's Compensation.
19. Dental services or treatment.
20. Cosmetic surgery, except when due to medically necessary reconstructive plastic surgery.
21. Mental or emotional disorders without demonstrable organic disease.
22. Alcoholism, drug addiction, or chemical dependency.

### **Terminations**

An employee's insurance will terminate on the earliest of the following:

1. The date the plan is terminated, for Class I insureds;
2. The 31st day after the premium due date if the required premium has not been paid;
3. The date he ceases to meet the definition of an employee as defined in the plan, for Class I insureds; or
4. The date he is no longer a member of the Class eligible for coverage.

Insurance for dependents will terminate on the earliest of the following:

1. The date the Plan is terminated, for dependents of Class I insureds;
2. The 31st day after the premium due date, if the required premium has not been paid;
3. The date the spouse or dependent child ceases to be a dependent; or
4. The premium due date following the date we receive the employee's written request to terminate coverage for his spouse and/or all dependent children.

Termination of the insurance on any Insured will not prejudice his rights regarding any claim arising prior to termination.

### **Definitions**

**Injury or Injuries** – Accidental bodily injury or injuries caused solely by or as the result of a covered accident.

**Covered Accident** – An accident, which occurs on or after the insured's effective date, while the insured's certificate is in force, and which is not specifically excluded.

**Sickness** – An illness, infection, disease or any other abnormal condition, which is not caused solely by or the result of an injury.

**Covered Person** - means the insured if the certificate is issued as Individual coverage.

If the certificate is issued as:

1. Employee/Spouse coverage Covered Person means the insured and the insured's legal spouse;
2. Single Parent Family coverage Covered Person means the insured and insured's covered dependent children as defined in the applicable rider, that have been accepted for coverage;
3. Family coverage Covered Person means the insured, the insured's spouse, and the insured's covered dependent children, as defined in the applicable rider, that have been accepted for coverage.

**Covered Sickness** – An illness, infection, disease or any other abnormal physical condition which is not caused solely by or the result of any injury which:

1. Occurs while the insured's coverage is in force; and
2. Was not treated or for which the insured did not receive advice within 12 months before the insured's effective date; and
3. Is not excluded by name or specific description in the plan.

**Doctor or Physician** – A person, other than the insured, or a member of the insured's immediate family, who:

- Is licensed by the state to practice a healing art;
- Performs services which are allowed by his or her license; and
- Performs services for which benefits are provided by the Plan.

A **hospital** is not:

- A nursing home;
- An extended-care facility;
- A convalescent home;
- A rest home or a home for the aged;
- A place for alcoholics or drug addicts; or
- A mental institution.

Hospital includes any duly licensed state tax supported institution, including those community health centers and other health clinics which are certified as Medicaid providers.

**Effective Date** – The date as shown in the certificate schedule if you are on that date actively at work for the policyholder. If not, the certificate will become effective on the next date you are actively at work as an eligible employee. The certificate will remain in effect for the period for which the premium has been paid. The certificate may be continued for further periods as stated in the plan. The certificate is issued in consideration of the payment in advance of the required premium and of your statements and representations in the application. A copy of your application will be attached and made a part of the certificate. The certificate, on its effective date, automatically replaces any certificate or certificates previously issued to you under the plan.

**Dependent Children** – Means your natural children, stepchildren, foster children, legally adopted children, or children placed for adoption, who are under age 26.

Your natural children will be covered from the moment of live birth provided the birth was after the Effective Date of the Dependent Children Benefit Rider. No notice or additional premium is required if the Dependent Children Benefit Rider is already in force. Newborn children are not covered from the time of birth unless Dependent Children Benefit Rider coverage is already in force and effective prior to birth.

Coverage on Dependent Children will terminate on the child's 26th birthday. However, if any child is incapable of self-sustaining employment due to mental retardation or physical handicap and is dependent on his parent(s) for support, the above age of 26 shall not apply. Proof of such incapacity and dependency must be furnished to the company within 31 days following such 26th birthday.

**Spouse** – An employee's legal spouse who is between the ages of 18–64.

**Treatment** – Consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

## Notices

This booklet is a brief description of coverage, not a contract. Read your certificate carefully for exact plan language, terms, and conditions.

If this coverage will replace any existing individual policy, please be aware that it may be in your best interest to maintain your individual guaranteed-renewable policy.

**Notice to Consumer:** The coverages provided by Continental American Insurance Company (CAIC) represent supplemental benefits only. They do not constitute comprehensive health insurance coverage and do not satisfy the requirement of minimum essential coverage under the Affordable Care Act. CAIC coverage is not intended to replace or be issued in lieu of major medical coverage. It is designed to supplement a major medical program.

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Continental American Insurance Company, Columbia, South Carolina.

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## GROUP HOSPITAL INDEMNITY



Lee County Government (Semi-Monthly Rates)		
Plan I	Employee	\$ 6.93
	Employee & Spouse	\$ 14.22
	Employee & Dependent Children	\$ 12.04
	Family	\$ 19.33

Benefit Summary	
Hospital Confinement (Per Day)	\$ 100
Hospital Admission (Per Confinement)	\$ 500
Surgical Benefit (Per Procedure)	\$ 750
Anesthesia Benefit - (Up to This Amount)	\$ 188
Wellness	\$ 50

Please note: Premiums shown are accurate as of publication. They are subject to change.



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Underwritten by:  
Continental American Insurance Company  
2801 Devine Street | Columbia, South Carolina 29205

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## GROUP HOSPITAL INDEMNITY



Lee County Government (Semi-Monthly Rates)		
Plan II	Employee	\$ 14.72
	Employee & Spouse	\$ 30.21
	Employee & Dependent Children	\$ 25.91
	Family	\$ 41.40

Benefit Summary	
Hospital Confinement (Per Day)	\$ 150
Hospital Admission (Per Confinement)	\$ 1,500
Surgical Benefit (Per Procedure)	\$ 1,500
Anesthesia Benefit - (Up to This Amount)	\$ 375
Wellness	\$ 50

Please note: Premiums shown are accurate as of publication. They are subject to change.



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