

Aflac Group Hospital Indemnity Insurance

Plan Features

- Benefits are available for spouse and/or dependent children.
- The plan pays regardless of any other insurance programs.
- Premiums are paid by convenient payroll deduction.
- The plan covers injuries and sickness.
- Admission and daily Hospital Confinement benefits are included.
- Surgery and Anesthesia benefits are included.
- A Wellness Benefit is included.
- The plan is portable.
- 3 year rate guarantee.

Eligibility

Issue Ages

Employee: 18–64

Spouse: 18–64

Children: under age 26

Class I

All full-time and part-time benefit-eligible employees are eligible for Class I coverage. That eligibility extends to their spouses and children under age 26.

Class II

A Class I primary insured is eligible for Class II coverage if he:

- Was previously insured under Class I; and
- Is no longer employed by the policyholder.

The employee must elect Class II coverage under the Portability Privilege within 31 days after the date for which his Class I eligibility would otherwise terminate.

Only dependents covered under Class I coverage are eligible for continued coverage under Class II.

Class II insureds cannot continue coverage through the employer's payroll deduction process. They must remit premiums directly to the company.

The employee may purchase supplemental hospital indemnity coverage for his 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.

A **spouse** is the person married to the employee on the effective date of this coverage. A spouse means the legal spouse who is between the ages of 18 and 64. A spouse must not be hospitalized or unable to perform his or her normal duties or activities on the date of application and the effective date of coverage.

Dependent child means natural children, stepchildren, foster children, legally adopted children, or children placed for adoption who are under age 26.

Guaranteed-Issue

During the first three years of the Plan being in-force, employees coverage is guaranteed-issue, provided the applicants are eligible for coverage. Enrollments take place once each 12- month period.

Portability

When coverage is effective and would otherwise terminate because the employee ends employment with the employer, 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 31 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

Benefits (Continued)

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	
Plan I	up to \$187.50
Plan II	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)	
Plan I & II	\$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.

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 is considered a pre-existing condition if conception was before the coverage effective date.

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.

GROUP HOSPITAL INDEMNITY



Mark III Accounts - Semimonthly (24pp/yr)		
Plan I	Employee	\$ 7.85
	Employee & Spouse	\$ 15.52
	Employee & Dependent Children	\$ 10.76
	Family	\$ 18.43

Benefit Summary	
Hospital Confinement (Per Day)	\$ 100
Hospital Admission (Per Confinement)	\$ 500
Surgical Benefit (up to amount)	\$ 750
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
3401 Venture Street | Columbia, South Carolina 29202

Mark III Accounts - Semimonthly (24pp/yr)		
Plan II	Employee	\$ 15.48
	Employee & Spouse	\$ 30.59
	Employee & Dependent Children	\$ 21.46
	Family	\$ 36.57

Benefit Summary	
Hospital Confinement (Per Day)	\$ 150
Hospital Admission (Per Confinement)	\$ 1,500
Surgical Benefit (up to amount)	\$ 1,500
Wellness	\$ 50

Residents of Massachusetts are not eligible for Hospital Admission Benefit amounts in excess of \$500.
 Please note: Premiums shown are accurate as of publication. They are subject to change.



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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 for which benefits are paid or payable 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.

Terminations (continued)

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.

Calendar Year – The period beginning on the policy effective date and ending on December 31 of the same year. Thereafter, it is the period beginning on January 1 and ending on December 31 of each following year.

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.

Definitions (Continued)

Immediate Family/Family Member – means an insured's spouse, son, daughter, mother, father, sister, or brother.

Hospital – A place that:

- Is legally licensed and operated as a hospital;
- Provides overnight care of injured and sick people;
- Is supervised by a doctor;
- Has full-time nurses supervised by a registered nurse;
- Has on-site or pre-arranged use of X-ray equipment, laboratory and surgical facilities (this requirement is not applicable to state tax-supported institutions); and
- Maintains permanent medical history records.

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.

Dependent Children – means your natural children, step-children, foster children, legally adopted children or children placed for adoption, who are under age 26.

1. 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 a parent(s) for support, the above age of twenty-six (26) shall not apply. Proof of such incapacity and dependency must be furnished to the Company within thirty-one (31) days following such 26th birthday, and not more frequently than annually from then forward.
2. Newborn Children of an Employee and/or his/her insured spouse and newborn Adopted Children shall automatically be covered from the moment of birth, under the same terms and conditions that apply to the natural, dependent children of covered persons.
3. Other foster children and adopted children shall be treated the same as newborn infants and are eligible for coverage on the same basis upon placement in the Employee's home, under the same terms and conditions that apply to the natural, dependent children of covered persons.
4. If a parent is required by a court or administrative order to provide health benefit plan coverage for a child, and the parent is eligible for family health benefit plan coverage through a health insurer, the health insurer.
 - Must allow the parent to enroll, under the family coverage, a child who is otherwise eligible for the coverage without regard to any enrollment season restrictions.
 - Must enroll the child under family coverage upon application of the child's other parent or the Department of Health and Human Services in connection with its administration of the Medical Assistance or Child Support Enforcement Program if the parent is enrolled but fails to make application to obtain coverage for the child.

Definitions (Continued)

- May not disenroll or eliminate coverage of the child unless the health insurer is provided satisfactory written evidence that the court or administrative order is no longer in effect or the child is or will be enrolled in comparable health benefit plan coverage through another health insurer, which coverage will take effect not later than the effective date of disenrollment.
- Will not impose pre-ex limitations or waiting periods.

If Dependent Children are covered under the plan, Dependent Children born or placed in the Employee's home after the Effective Date of this Rider will also be covered from the moment of birth. No notice or additional premium is required and the enrollment period will be waived. The company will not impose pre-ex limitations or waiting periods for newborn children, foster and adopted children if they are enrolled upon placement or children covered by the court or administrative order.

Spouse – An employee's legal spouse who is between the ages of 18–64 and who is named on the enrollment application.

Your Occupation – The job in which the insured is regularly engaged at the time the employee becomes insured.

Actively at Work – to be considered actively at work, the insured must perform for a full normal workday the regular duties of employment. These duties may be performed at the your employer's regular place of business or at a location to which the insured may be required to travel to perform the regular duties of your employment.

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

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.

Continental American Insurance Company (CAIC) is not aware of whether you receive benefits from Medicare, Medicaid, or a state variation. If you or a dependent are subject to Medicare, Medicaid, or a state variation, any and all benefits under the plan could be assigned. This means that you may not receive any of the benefits outlined in the plan. Please check the coverage in all health insurance plans you already have or may have before you purchase the insurance outlined in this summary to verify the absence of any assignments or liens.

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

**Continental American Insurance Company (CAIC) is a wholly-owned subsidiary of Aflac Incorporated. CAIC underwrites group coverage but is not licensed to solicit business in New York, Guam, Puerto Rico, or the Virgin Islands.
Columbia, South Carolina**

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