



Benefit coverage for Montrose County

A hospital stay for an injury or sickness may result in money coming out of your own pocket. Are you prepared?

M-9054

MAJOR MEDICAL COMPLEMENT
Group Hospital Confinement Insurance





think about your coverage

Gaps in health insurance coverage may be caused by medical circumstances that are beyond your control and can wreak havoc on your finances. High deductible and co-insurance payments can lead to out-of-pocket expenses you are not prepared to pay. These expenses can be covered through the purchase of a GAP product, which can help alleviate the costs associated with major medical co-insurance and deductible. That's where Major Medical Complement coverage can help.

meeting your needs

Major Medical Complement coverage helps meet the needs of you, your spouse, and your children. We know you will agree what we offer will help provide peace of mind for a secure future.

- Affordable plan designs
- Reduces out-of-pocket expenses when hospital confined
- Guaranteed Issue with no medical tests required*
- Employee, Employee and Spouse, Employee and Child(ren), or Family coverage
- Hospital Confinement Benefits for:
 - Inpatient hospital stays
 - Inpatient surgery
 - In-hospital physician charges
 - Emergency Room Treatment**

*Enrollment in group coverage is based on the employer-determined major medical open enrollment period. To be eligible, you must be covered under your group Major Medical/Comprehensive plan that includes deductible and co-insurance. **If employee treatment is due to sickness, the benefit is payable only if a hospital confinement is required within 24 hours of hospital emergency room treatment.

Your employer has made it easy to protect your family.

your benefit coverage

Benefits are paid for out-of-pocket expenses for deductible and co-insurance you or each covered family member incurs for a hospital confinement due to injury or sickness.

The Major Medical Complement plan is meant to complement your existing major medical insurance and help provide added protection that fills the gaps between what your current major medical coverage will pay and what you owe out of your own pocket if you are hospital confined. It provides added protection for you and each covered family member, should you be required to pay for expenses associated with each hospital confinement that are applied to your deductible and co-insurance.

Let Major Medical Complement fill in the gaps left by your current major medical insurance, so you and each covered family member can rest assured you have coverage.

Hospital Confinement Insurance - A benefit will be paid each calendar year for you or each covered family member who incurs eligible out-of-pocket expenses for a hospital confinement due to an injury or sickness provided you or a covered family member are under the regular care and attendance of a physician; and such expenses are covered by your, or your covered family member's, major medical/comprehensive policy; and the injury or sickness begins after the effective date of coverage. The benefit amount cannot exceed your out-of-pocket responsibility under your major medical/comprehensive policy.

Benefits are limited to the deductible and/or the co-insurance amount you or each covered family member is required to pay under the major medical/comprehensive policy, and include:

- Inpatient hospital stays
- Inpatient surgeries
- Physician's hospital charges

Benefits will also be paid for hospital emergency room treatment if you or a covered family member incurs an injury or sickness. The sickness must result in a hospital confinement within 24 hours of the hospital emergency room treatment.

Below is an example of how benefits will be paid under the Hospital Confinement Insurance Policy. As you can see, if you did not have the Major Medical Complement Hospital Confinement Benefit, you or a covered family member would have to pay \$5,200 out of pocket for deductible and co-insurance.

With the purchase of Major Medical Complement, the \$5,000 Hospital Confinement Insurance Policy would pick up the difference in what your major medical insurance would pay and what you or a covered family member would owe. In the example below, you or a covered family member would only have to pay \$200 in out-of-pocket expenses. **Now that's a complement!**

EXAMPLE OF HOW BENEFITS ARE PAID

Below is an example of how the Hospital Confinement Insurance would be paid if you or a covered family member were hospitalized for a covered injury or sickness and required surgery.

Covered Hospital Stay + Surgery Example		
A Hospital Stay + Surgery =	\$16,000 Total Expenses	
	Without HCB	With \$5,000 HCB
Deductible	\$2,500	\$2,500
Co-insurance (20%)		
Total Out-of-Pocket	\$2,700	\$2,700
Total Out-of-Pocket	\$5,200	\$5,200
Major Medical Complement Hospital Confinement Benefit	\$0	\$5,000
Total Out-of-Pocket¹	\$5,200	\$200

¹After the deductible, if any has been satisfied. This example is only for illustrative purposes. The example assumes a \$5,200 out-of-pocket expense. You and your covered family member's experience under the coverage will vary based on the plan selected.

The Hospital Confinement Insurance can be enhanced through the addition of the Outpatient Benefit. This benefit offers enhanced protection to help assure your deductible and co-insurance out-of-pocket expenses don't get out of control.

Outpatient (OPB) - A benefit will be paid each calendar year when you receive or each covered family member receives outpatient treatment under the regular care and attendance of a physician at a hospital, an outpatient surgical or emergency facility, or a diagnostic testing facility or similar facility that is licensed to provide outpatient treatment. Benefits are paid per person, per calendar year up to a family maximum of 2x's the per person, per calendar year maximum. Does not include charges for physician office visit expense.

EXAMPLE OF HOW BENEFITS ARE PAID

Below is an example of how the Outpatient Benefit would be paid:

Outpatient Benefit Example		
Example 1		
Occurrence	Out-Of-Pocket Cost	Benefit Amount
Individual (MRI)	\$2,750	\$2,500
Child (Blood work)	\$2,000	\$2,000
Child (Stitches)	\$1,000	\$500
Spouse (X-ray)	\$500	\$0
Total	\$6,250	\$5,000
Total Paid by Insured = \$1,250		
Example 2		
Occurrence	Out-Of-Pocket Cost	Benefit Amount
Individual (X-ray)	\$750	\$750
Individual (Blood work)	\$1,500	\$1,500
Child (Stitches)	\$1,500	\$1,500
Spouse (X-ray)	\$800	\$800
Child (MRI)	\$450	\$450
Total	\$5,000	\$5,000
Total Paid by Insured = \$0		

These examples are only for illustrative purposes. You and your covered family member's experience under the coverage will vary based on the plan selected.



premiums detailed

		PLAN 1	PLAN 2
Insured		Semi-Monthly† (24)	Semi-Monthly† (24)
Under Age 40	Insured Only	\$12.43	\$22.93
	Insured plus Spouse	\$22.40	\$41.28
	Insured plus Children	\$27.47	\$50.91
	Insured plus Family	\$37.41	\$69.23
Ages 40-49	Insured Only	\$16.85	\$31.48
	Insured plus Spouse	\$30.33	\$56.66
	Insured plus Children	\$31.02	\$58.14
	Insured plus Family	\$44.48	\$83.29
Ages 50 & Above	Insured Only	\$28.39	\$50.98
	Insured plus Spouse	\$51.10	\$91.75
	Insured plus Children	\$45.98	\$82.79
	Insured plus Family	\$68.66	\$123.54

Plan 1 and 2 -
[Major Medical](#)
 Hospital Confinement
 Outpatient Benefit

†The full monthly rate is payable regardless of the payroll deduction method listed by the employer. Premiums are not pro-rated for partial periods of coverage. Payroll deduction rates reflect the employee cost based on the employer contribution level and assumes employer is not contributing toward any dependent cost.

policy benefits

The listing below describes the benefit amounts associated with each benefit described in this brochure.

Major Medical

BENEFIT	PLAN 1	PLAN 2
Hospital Confinement	\$2,000/year**	\$5,000/year**
Outpatient	\$1,000/year ²	\$2,500/year ²

** Benefit pays for hospital confinement for injury or sickness, and must be covered by your Major Medical/Comprehensive Policy. It cannot exceed the out-of-pocket responsibility under the Major Medical/Comprehensive Policy.

² Paid per person, per calendar year up to a family maximum of 2x's the per person, per calendar year maximum.

DEFINITIONS

To help with medical terminology, we have provided a brief listing of definitions.

Hospital

Means a legally authorized and operated institution for the care and treatment of sick and injured persons. It must have graduate registered nurses (RN's) on 24-hour call and organized facilities for diagnosis and surgery either on its premises or in facilities available to it on a contractual prearranged basis. The following does not qualify as a Hospital: an institution, or part of it, which is used mainly as a facility for rest, nursing care, convalescent care, care of the aged, or for remedial education or training.

Hospital Confinement

Means the Insured Person is admitted to the facility as an overnight bed patient for a minimum of 15 consecutive hours.

Insured Person

Means either an Insured or an Insured Dependent. An Insured is an employee of the policyholder whose coverage under the policy has become effective and has not been terminated. Insured Dependent means any of the following: the lawful spouse of an Insured whose coverage under the policy has become effective and has not been terminated; and the unmarried dependent child or children of an Insured or of an Insured's spouse who are under 19 years of age (24 if a full-time student) and whose coverage under the policy has become effective and has not been terminated. Dependent children include stepchildren, legally adopted, and foster children. (Dependent child definition may vary by state.)

Injury

Means a bodily injury sustained by an Insured Person caused by an accident, directly and independently of all other causes, that occurs while the Policy is in force. All injuries sustained by an Insured Person in any one accident are considered a single Injury.

Major Medical/Comprehensive Policy

Means any one of the following types of policies or plans which provide benefits for Hospital Confinement for an Insured Person on his or her effective date of coverage, and such policy or plan requires the Insured Person to pay a deductible and/or portion of co-insurance: group or blanket insurance plans; group Blue Cross, Blue Shield or other group prepayment coverage plans; coverage under labor-management trusteed plans; union welfare plans; employer organizational plans; employee benefit organizational plans, or other arrangements of benefits for persons of a group. "Major Medical/Comprehensive Policy" does not include Medicare or Medicaid.

Sickness

A disease or illness, or more than one disease or illness, resulting from the same or related causes or conditions, including all complications thereof and all related conditions and recurrences resulting in medical expense insured under the Policy or otherwise resulting in a claims for benefits while the Policy is in force with respect to the Insured for whom the claim is made.



policy specifications

Eligibility

All active full-time employees working at least 20 hours or more per week and engaged in an eligible occupation, their lawful spouse, and their unmarried, dependent children who are under 19 years of age (24 if a full-time student.) Dependent eligibility may vary by state.

Additionally, in order to be eligible, each person must be covered under a group Major Medical/Comprehensive Medical plan that includes coinsurance and deductible.

Late Enrollees

If an eligible employee does not apply for coverage on their initial eligibility date, they may not apply for coverage until the next policy anniversary date, unless: (a) they are allowed to enroll in, or change their enrollment in the employer's Major Medical/Comprehensive Policy because they qualify as a Special Enrollee as defined by law; or (b) they are allowed to enroll in the employer's Major Medical/Comprehensive Policy during an employer sponsored period of open enrollment.

Termination of Coverage

Coverage terminates on the earliest date any of the following events occur: For any Insured Person: (a) on the date the policy is terminated; (b) as of the premium due date when the required premium remains unpaid, subject to the grace period; (c) on the premium due date following the date the Insured ceases to be an employee of the policyholder; or (d) on the premium due date following the date the Insured's coverage under a group Major Medical/Comprehensive Policy is no longer in effect. For an Insured dependent spouse: on the premium due date following the date the spouse ceases to be an eligible spouse. For Insured dependent children: on the premium due date following the date the child ceases to be an eligible child.

Exclusions

Benefits will not be paid for losses caused by or resulting from any one or more of the following: (a) declared or undeclared war or any act thereof; (b) suicide or intentionally self-inflicted Injury or any attempt thereat, while sane; (c) any hospital confinement or other covered treatment for injury or sickness while an insured person is in the service of the armed forces of any country. Orders to active military service for training purposes of two months or less do not, for the purpose of this exclusion, constitute service in the armed forces of any country. Upon notification to the Company of entering the armed forces of any country, the Company will return to the insured pro rata any premium paid, less any benefits which have been paid, for any period during which the insured person is in such service; (d) confinement in a hospital or other covered treatment provided in a facility operated by an agency of the United States government or one of its agencies, unless the insured person is legally required to pay for the services; (e) confinement or other covered treatment for injury or sickness which is not medically necessary; (f) confinement or other covered treatment for dental or vision care not related to an accidental injury; (g) mental or nervous disorders; (h) alcoholism, drug addiction or complications thereof; (i) any hospital confinement or other covered treatment for injury or sickness for which

compensation is payable under any Workers' Compensation Law, any Occupational Disease Law, the 4800 Time Benefit Plan or similar legislation; and (j) any hospital confinement or other covered treatment for injury or sickness that is payable under any insurance that does not require deductible and/or coinsurance payments by the insured person; and (k) any hospital confinement or other covered treatment for injury or sickness for which benefits are not payable under the insured person's basic major medical/comprehensive policy. (l) Any hospital confinement or other covered treatment for injury or sickness if, on the insured person's effective date of coverage, the insured person was not covered by a major medical/comprehensive policy, our sole obligation will then be to refund all premiums paid for that insured person. (m) An insured person engaging in any act or occupation which is a violation of the law of the jurisdiction where the loss or cause occurred. A violation of the law includes both misdemeanor and felony violations.

Limitations

Pregnancy, Termination of Pregnancy and Complications from Pregnancy. Hospital Confinements due to Pregnancy, Termination of Pregnancy, or Complications from Pregnancy are payable if the pregnancy is payable under the insured person's major medical/comprehensive policy. Benefits for Pregnancy and Termination of Pregnancy under this provision are limited to an insured or an insured dependent spouse (dependent children are not covered).

Pre-Existing Condition Limitation. This product does not have a Pre-Existing Condition Limitation; however, a condition must be covered under the insured's major medical/comprehensive medical plan in order for benefits to be payable under this plan. Therefore, any Pre-Existing Condition Limitation applied to the major medical/comprehensive medical plan would, in effect, limit coverage under this plan.

STATE VARIATIONS

Colorado (changes affect page 6)

In the **Exclusions** paragraph, Exclusion (c) is deleted in its entirety.



Now Is The Time...

Prepare for the unexpected

If you require a hospital stay for an injury or sickness, it may result in money coming out of your own pocket. Your medical coverage will only cover so much. Are you prepared? Don't wait for a sign to start thinking about the future. You can rely on our Major Medical Complement Insurance to help you prepare for those unexpected out-of-pocket expenses.

Budget friendly

Sometimes, receiving proper healthcare is difficult if money is tight. That's where we can help. Your employer has worked with us to create a supplemental benefit package that can fit your needs and work with your budget.



Fast Fact

Out-of-pocket medical costs averaged \$17,943

A Harvard Study found that for 92% of the medically bankrupt, high medical bills directly contributed to their bankruptcy.*

"Many families with continuous coverage found themselves under-insured, responsible for thousands of dollars in out-of-pocket costs. Out-of-pocket medical costs averaged \$17,943 for all medically bankrupt families. For patients who initially had private coverage but lost it, the family's out-of-pocket expenses averaged \$22,568."*

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This brochure contains a brief description of the plans of insurance offered to qualified employers. The exact provisions governing the insurance are contained in the master policy issued to each group on form number M-9054, policy series MG-108. Some provisions, benefits, exclusions or limitations listed herein may vary depending on your state of residence. This product is not available in all states.

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