



AMERICAN FIDELITY
ASSURANCE COMPANY'S

Hospital **GAP PLAN**[®]



Supplemental Limited Benefit
Medical Expense Insurance

Can You Afford Out-Of-Pocket Medical Bills?

Consider Hospital GAP Insurance

Many of us may think that basic health insurance coverage is enough. But, the reality is that most insurance covers only a portion of overall medical expenses. In fact, based on a typical PPO plan design, an average a typical family of four will spend \$16,771 per year on medical costs (*Millman's Medical Index, 2009*).

A supplemental insurance plan, American Fidelity Assurance Company's Hospital GAP PLAN[®], may be what you need — it is specifically designed to help cover certain out-of-pocket expenses.



How The Hospital GAP PLAN[®] Works

Our Hospital GAP PLAN[®] includes three primary benefits:

- **In-Hospital Benefit**

The In-Hospital Benefits are payable for covered out-of-pocket expenses up to the maximum benefit selected per confinement. We will pay to the maximum benefit selected per confinement. You must be confined in a Hospital for at least 18 continuous hours in duration.

- **Out-Patient Benefit**

The Out-Patient benefits are payable for the actual outpatient expenses you incur up to a maximum outpatient benefit of \$200.00 for services in a Hospital emergency room, outpatient surgery in a Hospital outpatient facility or free-standing outpatient surgery center, and diagnostic testing in a Hospital outpatient facility or MRI facility. All benefits for the same or related conditions will be subject to the maximum benefit, unless such conditions are separated by 90 consecutive days, then a new maximum outpatient benefit will apply.

- **Doctor Bill Benefit**

The doctor bill benefit is payable for doctor visits. This benefit pays \$25.00 per visit, for up to 5 visits (\$125.00) per family per calendar year for treatment received outside of a Hospital as an outpatient. Includes treatment in a Hospital Outpatient Clinic, Free-standing Emergency Care Clinic or Physician's Office.



Important Policy Provisions

ELIGIBILITY

All active full-time employees who are working 18 hours or more per week, covered under Another Medical Plan and are under age 70.

You will be eligible for Dependent coverage on the day you become eligible for coverage or acquire your first Dependent; whichever is later, provided the Dependent(s) to be insured is/are covered under Another Medical Plan.

Note: Another Medical Plan means any basic Major Medical or Comprehensive Medical Policy which includes managed care and through which a Covered Person has coverage. The term Other (or Another) Medical Plan does not include CHAMPUS.

EFFECTIVE DATE OF COVERAGE

Certificates issued become effective the first of the month following the date of approval, provided the first premium has been paid.

If you are not on Active Service due to an Accident or Sickness when your coverage is to take effect, it will take effect on the first day of the calendar month after the date you return to Active Service. "Active Service" means that you are doing in the usual manner all of the regular duties of your employment on a full-time basis on any scheduled work day and these duties are being done at one of the places of business where you normally perform such duties or at some location to which your employment sends you. You will be said to be on Active Service on a day which is not a scheduled work day only if you would be able to perform in the usual manner all of the regular duties of your employment if it were a scheduled work day.

Effective Date for Dependent coverage is the first of the month following our acceptance of the application and receipt of the first premium.

However, if on such date the coverage for the eligible employee has not yet taken effect, the Effective Date of Coverage will be the same as the Effective Date for such employee.

In the event a Dependent is Totally Disabled on the date coverage with respect to that particular Dependent would otherwise take effect, the coverage of that Dependent will be deferred until the first of the month following the Dependent's cessation of Total Disability.

A newborn child will become covered under the policy automatically on the day he or she is born as long as your coverage was in force on that date. Accident or Sickness includes prematurity, congenital defects and birth abnormalities of a newborn child. Continuation of such coverage beyond 31 days requires notification of said birth and payment of applicable premium, if any. Coverage for newborn children will also include coverage for a newly born child adopted by you, from the moment of birth, if a petition for adoption was filed within 31 days of the birth of the child and a child adopted by you from the date of petition for adoption.

Coverage for the adopted child will not continue past 31 days after the date of filing of the petition unless we are notified by the end of that 31 day period of the addition of such adopted child and any applicable additional premium is paid. Coverage for adopted children will be offered under the same Policy terms and conditions that apply to natural dependent children of yours, regardless of whether the adoption is final and without any Pre-Existing limitations or restrictions.

PRE-EXISTING CONDITIONS

Pre-Existing Conditions will not be covered for the first 12 months from the Effective Date of Coverage. The term "Pre-Existing Condition" means a disease, Accident, Sickness, or physical condition for which the Covered Person:

- had treatment;
- incurred expense;
- took medication; or
- received a diagnosis or advice from a Physician,

during the 12 month period immediately before the Effective Date of the Covered Person's coverage. The term "Pre-Existing Condition" will also include conditions which are related to such disease, Accident, Sickness, or physical condition.

EXCLUSIONS

We will not cover expenses incurred from:

- with respect to Late Enrollees only, during the first 30 days of coverage under the Policy, except the Physician Outpatient Treatment Benefit; or
 - during any period the Covered Person does not have coverage under Another Medical Plan, except as provided in the Absence of Other Medical Plan provision, described in your Policy;
- or which result from:
- suicide or any attempt thereat, while sane or insane;
 - any intentionally self-inflicted injury or Sickness;
 - rest care or rehabilitative care and treatment;
 - routine newborn care, including routine nursery charges;
 - voluntary abortion except with respect to you or covered Dependent spouse:
 - where your life or the life of your Dependent Spouse would be endangered if the fetus were carried to term; or
 - where medical complications have arisen from abortion;
 - pregnancy of a Dependent child;
 - participation in a riot, civil commotion, civil disobedience, or unlawful assembly (this does not include a loss which occurs while acting in a lawful manner within the scope of authority);
 - commission of a felony;
 - participation in a contest of speed in power driven vehicles, parachuting or hang gliding;
 - air travel, except:
 - as a fare-paying passenger on a commercial airline on a regularly scheduled route; or
 - as a passenger for transportation only, not as pilot or crew member;
 - intoxication (Whether or not you are intoxicated is determined and defined by the laws and jurisdiction of the geographical area in which the loss occurred.);
 - alcoholism or drug use, unless such drugs were taken on the advice of a Physician and taken as prescribed;
 - sex changes;
 - experimental treatments, drugs, or surgery;
 - Pre-Existing Conditions, not otherwise excluded by rider or endorsement, will not be covered for the first 12 months from your Effective Date of coverage;
 - an act of war, whether declared or undeclared, or while performing police duty as a member of any military or naval organization. This exclusion includes Accident sustained or Sickness contracted while in the service of any military, naval, or air force of any country engaged in war. We will refund the pro rata unearned premium for any such period you are not covered;
 - Accident or Sickness arising out of and in the course of any occupation for compensation, wage or profit (This does not apply to sole proprietors or partners not covered by Workers' Compensation.);
 - dental or vision services, including treatment, surgery, extractions, or x-rays, unless:
 - resulting from an Accident occurring while your coverage is in force and if performed within 12 months of the date of such Accident; or
 - due to congenital disease or anomaly of a covered newborn child;
 - routine examinations, such as health exams, periodic checkups, or routine physicals;
 - any expense for which benefits are not payable under your Other Medical Plan; or
 - air or ground ambulance.

TERMINATION OF INSURANCE

Your insurance coverage will end on the earliest of these dates:

- the day you no longer qualify as an insured;
- the end of the last period for which premium has been paid;
- the date the Policy is discontinued;
- the date you retire;
- your 70th birthday if your employer employs less than 20 employees;
- the date you cease to be on Active Service;
- the date your coverage under Another Medical Plan ends; or
- the date you cease employment with the employer through whom you originally became insured under the Policy.

Insurance coverage on a Dependent will end on the earliest of:

- the date your coverage terminates;
- the end of the last period for which premium has been paid;
- the date the Dependent no longer meets the definition of Dependent;
- the date the Dependent's coverage under Another Medical Plan ends; or
- the date the Policy is modified so as to exclude Dependent coverage.

We shall have the right to terminate the coverage of any Covered Person who submits a fraudulent claim under the Policy.

DEFINITIONS

TOTAL DISABILITY (or Totally Disabled) means that you are prevented from performing the material and substantial duties of your occupation. For Dependents, "Totally Disabled" means the inability to perform a majority of the normal activities of a person of like age in good health.

HOSPITAL: The term "Hospital" shall not include any institution you used as a place for rehabilitation, rest or for the aged; a nursing or convalescent home; a long term nursing unit or geriatrics ward; or an extended care facility for the care of the convalescent, rehabilitative, or ambulatory patients.

DEPENDENT: The term "Dependent" means your:

- married spouse who lives with you and is under age 70; or
- child (natural, step, adopted, or a minor for whom guardianship is granted to you by court or testamentary appointment, other than temporary guardianship of less than 12 months duration) who:
 - is less than 26 years of age; or
 - your child who becomes incapable of self-support because of mental or physical handicap while covered under the Policy and prior to

reaching the limiting age for dependent children. The child must be dependent on you for support and maintenance. We must receive proof of incapacity within 31 days after coverage would otherwise terminate. Coverage will then continue as long as your insurance stays in force and the child remains incapacitated. Additional proof may be required from time to time but not more often than once a year after the child attains age 26; or

- any minor under your charge, care and control, who has been placed in your home for adoption and is less than 26 years of age.

The term Dependent Child does not include your grandchild (unless required by law).

SICKNESS means illness or disease which starts while your coverage is in force and is the direct cause of the loss.

ACCIDENT means accidental bodily injury or injuries you sustained which are the direct cause, are independent of disease or bodily infirmity or any other cause and occur while your coverage is in force.

CONTINUATION AND CONVERSION OPTIONS ARE ALSO AVAILABLE.

This product is inappropriate for people who are eligible for Medicaid coverage.

HOSPITAL GAP PLAN® MONTHLY RATES							
<i>(issue ages are 18 through 64)</i>							
	\$1,000	\$1,250	\$1,500	\$1,750	\$2,000	\$2,500	\$3,500
Under 55:							
Employee Only	\$19	\$21	\$22	\$24	\$25	\$29	\$33
Employee and Spouse	\$34	\$39	\$41	\$44	\$46	\$53	\$59
Employee and Child(ren)	\$31	\$33	\$35	\$39	\$41	\$46	\$52
Employee and Family	\$46	\$51	\$54	\$58	\$62	\$70	\$78
Ages 55-59:							
Employee Only	\$26	\$31	\$33	\$37	\$40	\$46	\$54
Employee and Spouse	\$47	\$55	\$59	\$67	\$72	\$84	\$98
Employee and Child(ren)	\$39	\$42	\$46	\$52	\$55	\$64	\$73
Employee and Family	\$59	\$67	\$73	\$81	\$87	\$100	\$117
Ages 60 and Over*:							
Employee Only	\$40	\$45	\$51	\$55	\$61	\$72	\$86
Employee and Spouse	\$72	\$81	\$91	\$100	\$110	\$130	\$154
Employee and Children	\$52	\$57	\$64	\$70	\$77	\$88	\$105
Employee and Family	\$84	\$94	\$105	\$114	\$125	\$146	\$173

*Available to employees age 70 and over if there are 20 or more employees in the group.



Our Family, Dedicated To Yours.®

2000 N. Classen Boulevard • Oklahoma City, Oklahoma 73106
 (800) 654-8489
 www.americanfidelity.com