



*The solution to your benefit problems...*

# Benefit Connection

Group Supplemental Medical Expense Insurance

**SIS**

Underwritten by

 Companion Life

## TODAY'S EMPLOYEES ARE CONCERNED WITH:

- Taking Care of their Family's Health
- Rising Cost of Group Major Medical Premiums
- Increasing Deductibles, Co-Payments and Co-Insurance
- The Rising Cost of Healthcare

*\*Employee contributions to health insurance premiums have increased 168% from 1999 to 2011.*

## EMPLOYERS FEEL THE PRESSURE OF:

- Offering Employees Comprehensive Affordable Health Care
- Retaining and Attracting Quality Employees
- Managing Major Group Medical Plans and Spiraling Cost

*\*From 1999 to 2011, the average annual amount of employee contributions to health insurance premiums has increased from \$318 to \$921 for employee's coverage and from \$1,543 to \$4,129 for family coverage.*

## BENEFIT ADVISORS ARE SEEKING SOURCES THAT WILL:

- Control Employee Benefits Cost
- Initiate New Ideas
- Create Solutions
- Simplify the Process

*\*Among firms with 3-999 employees offering health benefits, the percentage that offer an HDHP has risen from 4% in 2005 to 23%-26% in 2011. For firms with 1,000 or more employees that number has increased from 8% to 41%.*

*\*Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits 1999-2011.*

## THE SOLUTION TO YOUR BENEFIT PROBLEMS...

# Benefit Connection

**Benefit Connection** covers portions of the expenses employees and their families incur due to treatment of injuries and illnesses under their major medical plan as a result of the application of deductibles and coinsurance.

An underlying major medical plan is required.

**This product does not pay 100% of out-of-pocket expenses.**

## BASIC PRODUCT FEATURES

- Expenses must be covered by the insured's major medical plan for benefits to be paid under this product.
- Provides coverage for medically necessary eligible out-of-pocket expenses related to the insured's major medical plan's co-insurance and deductibles up to the maximum benefit selected, provided such expenses are the result of treatment for an injury or sickness.
- Includes a range of benefit maximums available to allow plan designs that correspond with the insured's major medical plan's out-of-pocket expenses.
- Basic product benefits are for in-hospital charges only, including emergency room treatment for an injury or for a sickness, if the sickness results in a hospital confinement within 24 hours. Optional coverages include outpatient treatment, physician office visits, and Term Life/AD&D.
- Uses itemized bills and primary major medical plan's EOB (explanation of benefits) as a basis for determining what is covered.





## INPATIENT HOSPITAL BENEFIT

Benefit Amount Options: \$500 to \$10,000 per covered person per calendar year/benefit year.

### BENEFITS INCLUDE

- Coverage for out-of-pocket expenses due to an inpatient hospital confinement
- Coverage for inpatient hospital stays, inpatient surgeries, and physician's in-hospital charges for eligible out-of-pocket expenses resulting from the treatment of an injury or sickness
- Coverage for out-of-pocket expenses due to emergency room treatment for an injury or sickness (ER treatment is covered under the Inpatient Hospital Benefit only if coverage is NOT purchased with the Outpatient Benefit)

The benefit amount should coincide with the deductibles/copays/coinsurance established under the major medical plan. Maximum inpatient benefit level should not exceed the total amount of the individual in-network deductible and coinsurance maximum under the major medical plan.

Routine newborn nursery care and well-baby care is not a covered expense.

Benefits for emergency room treatment due to sickness require that the sickness result in hospital confinement within 24 hours of the hospital emergency room treatment, otherwise it would apply to the Outpatient Benefit (if included).

Hospital Confinements due to pregnancy are covered for insured employees and their insured spouses, if payable under the major medical plan. Pregnancy (except for complications of pregnancy) is not covered for dependent children, unless required by state law.

### COVERED HOSPITAL STAY + SURGERY EXAMPLE \*

A Hospital Stay + Surgery = \$18,000 Total Expenses

	Without IHB	With \$5,000 IHB
Deductible	\$2,500	\$2,500
Coinsurance (20%)	\$3,100	\$3,100
Total Out-of-Pocket	\$5,600	\$5,600
Inpatient Hospital Benefit (IHB)	\$0	\$5,000
<b>TOTAL OUT-OF-POCKET</b>	<b>\$5,600</b>	<b>\$600</b>

## OUTPATIENT BENEFIT

### (OPTIONAL)

Outpatient benefits may include, but are not limited to:

- Hospital emergency room treatment of injury or sickness
- Outpatient surgery in an outpatient surgical facility, emergency facility or physician's office
- Diagnostic testing including, but not limited to, x-rays, diagnostic lab, MRI's, and CT scans
- Outpatient radiation therapy or chemotherapy
- Physical therapy or chiropractic care
- Durable medical equipment if dispensed to the insured person in a hospital or provider's office. DME is otherwise not covered.

**The Outpatient Benefit does not cover a physician's office visit charge.** In order to have this type of charge covered, the Physician Benefit would need to be purchased as part of the Policy.

Two optional outpatient benefits are available for the employer to choose from:

## OUTPATIENT I OR OUTPATIENT II

OUTPATIENT I (\$2,500 BENEFIT EXAMPLE) *		
Occurrence	Out-of-Pocket Cost	Benefit Amount
Occurrence #1	\$2,750	\$2,500
Occurrence #2	\$2,000	\$2000
Occurrence # 3	\$1,000	\$1,000
<b>TOTAL</b>	<b>\$5,750</b>	<b>\$5,500</b>
<b>TOTAL PAID BY INSURED = \$250</b>		



### OUTPATIENT I

Benefits range from a minimum of \$200 to a maximum of \$2,500 provided the maximum benefit selected is not greater than the amount of Inpatient Hospital Benefit selected.

The Outpatient I benefit pays on a “per person per Sickness or Injury” basis, up to a maximum of 3 “occurrences” per family per calendar year. This maximum applies to the entire family unit, regardless of the number of covered persons within the family unit. An “occurrence” is the treatment, or series of treatments, for a specific sickness or injury in a calendar year. All expenses related to the treatment of the same or related sickness or injury will accrue toward the outpatient maximum for one occurrence. When that amount has been reached, no additional charges would be considered for that diagnosis until incurred in a new calendar year.



## OUTPATIENT II

Benefits are available as an alternative to Outpatient I benefits. Available benefit limits range from a minimum of \$250 to a maximum of \$2,500, provided the maximum benefit selected is not greater than 50% of the amount of Inpatient Hospital Benefit selected.

The Outpatient II benefit pays on a “per person per calendar year” or benefit year basis, with a family maximum limit of two (2) times the “per person” limit. This maximum applies to the entire family unit, regardless of the number of covered persons within the family unit, however, the benefit payable for no one person within the family unit can exceed the “per person” limit.

### OUTPATIENT II (\$2,500 BENEFIT EXAMPLE) \*

Based on total amount of charges in a calendar year	Out-of-Pocket Cost	Benefit Amount
Employee	\$2,750	\$2,500
Child	\$3,000	\$2,500
Spouse	\$500	\$0
<b>TOTAL</b>	<b>\$6,250</b>	<b>\$5,000</b>
<b>TOTAL PAID BY INSURED = \$1,250</b>		

*\*Claims examples are for illustrative purposes only. Each insured person's coverage may be different based on the plan selected and their specific situation. All benefits are subject to the exclusions and limitations outlined in the policy and riders. The examples listed herein assume that all incurred charges are covered under this supplemental medical expense policy, no incurred charges are excluded, and no limitations have been applied.*

## PHYSICIAN BENEFIT

### (OPTIONAL)

This optional benefit pays for physician services for treatment of an injury or sickness. Services must be received in a physician's office, hospital, emergency facility or outpatient facility. The provider must use an office visit/consultation code in order for benefits to be paid.

The Employer can choose from two Physician Office Visit Benefit structures:

- \$15 per visit up to the lesser of \$120 per calendar year or 8 visits per family per calendar year; or
- \$20 per visit up to the lesser of \$240 per calendar year or 12 visits per family per calendar year.

## TERM LIFE AND AD&D BENEFIT RIDER

### (OPTIONAL)

The Employer may choose to include \$5,000, \$10,000, \$15,000, or \$20,000 of Life and AD&D coverage for each employee participating in the Supplemental Medical Expense plan. Benefits reduce by 50% at age 70 and another 50% at age 75.

### DEPENDENT TERM LIFE BENEFIT

- Spouse coverage equals 50% of the employee's term life insurance amount.
- Child coverage equals 25% of the employee's term life insurance amount for dependents age 6 months and up and 2.5% for infants 14 days to 6 months.
- Dependents' life coverage terminates when base medical coverage eligibility ceases.

*All benefits listed above are subject to the exclusions and limitations outlined in the policy and rider.*

### ELIGIBILITY

Any employee working 20 or more hours per week is eligible for coverage.

### RESTRICTED INDUSTRIES

Professional Employer Organizations (PEO's) are subject to prior carrier approval.

### EFFECTIVE DATE

Employees will not be covered until the application has been accepted and the premium has been paid. All insureds will be effective on the 1st day of the month. Enrollment follows those guidelines established for enrollment in the underlying group major medical plan.

### CLAIM SUBMISSIONS

To claim benefits the insured person must submit a claim form (only one per calendar year is required), and either the insured person or provider must submit copies of the fully itemized bills and copies of the EOB's (explanation of benefits) from the major medical carrier.





## EXCLUSIONS

Benefits will not be paid for losses caused by or resulting from any one or more of the following:

- Declared or undeclared war or any act thereof
- Suicide or intentionally self-inflicted injury or any attempt thereat, while sane or insane (while sane, in Colorado and Missouri)
- Any hospital confinement or other treatment for injury or sickness while an insured person is in the service of the armed forces of any country
- Confinement in a hospital or other treatment 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
- Confinement or other treatment for injury or sickness which is not medically necessary
- Confinement or other treatment for dental or vision care not related to an accidental injury
- Confinement or other treatment for mental or nervous disorders
- Confinement or other treatment for alcoholism, drug addiction or complications thereof
- Any hospital confinement or other treatment for injury or sickness for which compensation is payable under any Worker's Compensation Law, any Occupational Disease Law, or similar legislation
- Any hospital confinement or other treatment for injury or sickness that is payable under any insurance that does not require deductible and/or coinsurance payments by the insured person
- Any hospital confinement or other treatment for injury or sickness for which benefits are not payable under the insured person's major medical plan
- Any hospital confinement or other 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 plan
- 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
- Prescription drugs
- Durable medical equipment, unless dispensed in a hospital, an outpatient surgical or emergency facility, a diagnostic testing facility, or a similar facility that is licensed to provide outpatient treatment
- Well newborn care, whether inpatient or outpatient
- Wellness or preventive care



**UNDERWRITTEN BY**



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**FOR INFORMATION CONTACT**

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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 GAPP-4200. Some provisions, benefits, exclusions or limitations listed herein may vary by state of residence. This product is not available in all states.*