



# Supplemental Hospital Insurance

Hospital and surgical indemnity insurance with benefits designed to supplement short-term medical insurance or Affordable Care Act (ACA) compliant major medical coverage.

Underwritten by Independence American Insurance Company (IAIC), a member of The IHC Group. For more information about IAIC and The IHC Group, visit [www.ihcgroup.com](http://www.ihcgroup.com). Policies are administered by The Loomis Company.





**Supplemental Hospital Insurance is hospital indemnity insurance, also known as hospital insurance. It pays fixed benefits for a covered inpatient hospital stay. Surgical services may also be covered, not to exceed the selected plan maximum amount.**

**Supplemental Hospital Insurance can help fill gaps in your health insurance coverage by providing cash benefits for unexpected or higher cost services. It pays benefits regardless of other coverage you may have, and benefits may be paid directly to you, unless you assign them to a physician, hospital or other health care provider.**

**Medical services which may be covered by Supplemental Hospital Insurance include the following:**

- Inpatient hospital confinement
- Inpatient surgical services
- Outpatient surgical services
- Second surgical opinion
- Outpatient urgent care or emergency room visit
- Outpatient diagnostic x-ray or lab
- Outpatient advanced studies

**With two plan options and optional benefit buy ups, Supplemental Hospital Insurance allows for flexibility with various benefit levels and monthly premiums to meet your needs and your budget. You may apply for coverage at any time - there are no designated enrollment periods.**



# Supplemental Hospital Insurance Plan Designs

The amount of benefits provided depends on the plan selected. Your premium will vary with the amount of benefits selected.

Benefits per covered person	Hospital Insurance	Hospital and Surgical Insurance
<b>Hospital Coverage (once per calendar year)</b>		
Inpatient hospital confinement	\$3,000	\$3,000
<b>Surgical Coverage (per surgery, unlimited)</b>		
Inpatient surgical services		\$2,000
Outpatient surgical services		\$1,000
Second surgical opinion		\$100
<b>Optional benefit buy up options (once per calendar year)</b>		
Outpatient urgent care or emergency room visit	\$150	\$150
Outpatient diagnostic X-ray and lab	\$50	\$50
Outpatient advanced studies	\$500	\$500

## Supplemental Hospital Insurance plan descriptions

### Hospital coverage

#### Inpatient hospital confinement

Covers room and board, miscellaneous hospital expenses and general nursing while hospital confined.

### Surgical coverage

#### Inpatient surgical services

Covers surgery performed during inpatient confinement. If two or more surgical procedures are performed through the same incision, the amount shown applies to the first surgery and 50 percent of the benefit shown applies to the second surgery. If two or more surgeries are performed through different incisions, the benefit shown applies to each surgery.

#### Outpatient surgical services

The outpatient surgical services benefit covers surgery performed on an outpatient basis. If two or more surgical procedures are performed through the same incision, the amount shown applies to the first surgery and 50 percent of the benefit shown applies to the second surgery. If two or more surgeries are performed through different incisions, the benefit shown applies to each surgery.

#### Second surgical opinion

This benefit pays \$100 for a second surgical opinion prior to the surgery. If the second surgical opinion disagrees with the first opinion, a \$100 second surgical opinion benefit will be paid for a third opinion. The benefit is only payable if the physicians providing the second and third opinions are not affiliated with each other or the original physician who will perform the surgery, or financially associated with the original physician, and do not assist in the surgery.

#### Outpatient urgent care or emergency room

Covers services received in an emergency room or urgent care facility for a covered injury or illness.

#### Outpatient diagnostic x-ray and lab

Covers X-rays and lab tests performed in an outpatient setting and not done in conjunction with a wellness or preventive care examination. Benefit payable within 30 days following an inpatient confinement or outpatient surgery for a covered illness or injury.

#### Outpatient advanced studies

Covers Angiogram, Arteriogram, Computed Tomography Scan (CT); Electroencephalogram (EEG), Magnetic Resonance Imaging (MRI), Myelogram, Positron Emission Tomography Scan (PET), Thallium Stress Test. Benefit payable within 30 days following an inpatient confinement or outpatient surgery for a covered illness or injury.

### Payment methods to suit your situation

These plans offer monthly premium payments using credit card or automatic bank withdrawal.

### Coordination of benefits

A Supplemental Hospital Insurance policy does not coordinate benefits with other health insurance plans.

## Eligibility

At the time of application, if you are 18 to 64.5 years of age and a permanent resident of the United States, you and your eligible dependents may apply to purchase a Supplemental Hospital Insurance plan. You can apply by completing an application for insurance, and you and your eligible dependents, if applying, must qualify for coverage based on the plan's underwriting guidelines. Eligible dependents include: Your lawful spouse/domestic partner under 64.5 years of age, and your child(ren) under age 26.

In California, you must have an ACA-qualified plan in order to be eligible to apply and must attest accordingly. If you do not have an ACA-qualified plan, you are not eligible to apply and/or coverage will not be issued. Child-only plans are not available.

## Period of treatment

A period of treatment begins (1) when a covered person is initially admitted to the hospital, (2) when services are provided in an outpatient surgical facility or (3) when chemotherapy or radiation therapy is received on an outpatient basis. The period of treatment ends 180 consecutive days later for the same or related injury or illness. If treatment extends past 180 days for the same injury or illness, a separate period of treatment will apply to each covered injury or illness.

## Effective date

You may request that your coverage become effective any day of the month. We must receive your application before the requested effective date. If your application is approved, your coverage will become effective on the requested effective date following approval. Your applicable premium must be paid before your coverage under the policy goes into effect. If the company is unable to approve your application within 60 days of the application date, the requested effective date will not be honored and a new, currently dated application may be required.

## Precertification

Precertification is a screening process used to determine if the proposed inpatient confinement is medically necessary and appropriate. Failure to obtain the required precertification will result in no benefits being paid. Precertification is required at least seven days prior to each non-emergency inpatient confinement and within 48 hours of inpatient admission or as soon as reasonably possible for emergency inpatient confinement. Precertification is not pre-authorization or pre-approval of coverage and it does not guarantee payment of benefits. Payment of benefits will be determined in accordance with and subject to all the terms, conditions, limitations and exclusions of the policy.

## Usual, reasonable and customary charge

Charges for services and supplies, which are the lesser of: (a) the charge usually made for the service or supply by the physician or facility who furnished it; (b) the negotiated rate; and; (c) the reasonable charge made for the same service or supply in the same geographic area.

## Termination of insurance

A covered person's insurance under the policy will terminate on the earliest of the following: the date of termination of the policy; the premium due date following the date a written request to terminate coverage is received; the date the premium is not paid according to the grace period provisions in the policy; the date of death; the last day of the month following the date of attainment of age 65; the last day of the month following the date of Medicare eligibility; the last day of the month following termination of membership with the policyholder; or the date the person enters the armed forces. A dependent spouse's coverage also terminates on the premium due date following a divorce or legal separation.

A dependent child's coverage will terminate on the premium due date following the date the child ceases to meet the definition of an eligible dependent unless coverage is extended under the termination of a dependent certificate provisions. Please see your certificate or speak to your producer for additional information.

## 10-day right to return period

If for any reason you are not completely satisfied with the policy, you may return it to us within 10 days after you receive it and you will be issued a refund. The refund will include any premium paid minus the enrollment and any administrative fees. The coverage issued under the policy will be canceled and considered void back to the effective date, as though coverage had not been issued.

## Hospital definition

A hospital is an institution that: operates pursuant to law; has 24-hour nursing services by registered nurses; has a staff of one or more doctors; provides inpatient therapeutic and diagnostic services for illness or injury; provides facilities for major surgery or has a formal arrangement with another institution for surgical facilities; and is approved by the Joint Commission on the Accreditation of Health Care Facilities as a Hospital (JCAHO); the American Hospital Association (AHA); the American Osteopathic Healthcare Association (AOHA); the American Osteopathic Association accreditation (AOA); or the Commission on Accreditation of Rehabilitation Facilities (CARF) accreditation. The definition of a hospital does not include: A rest or nursing home, home for the aged or convalescent home; a skilled nursing facility; an extended care facility; hospice; a place for custodial care; or a birthing center.

## Pre-existing condition definition and limitation

A pre-existing condition is any condition for which medical advice, diagnosis, care, or treatment was received or recommended during the 12 month period immediately preceding the covered person(s) coverage effective date.

Covered benefits are payable for a pre-existing condition after the insured person has been continuously covered under the policy for 12 consecutive months. This does not apply to a newborn, foster child or newly adopted child placed for adoption under age 18 if such child is enrolled for coverage within 31 days from the date of birth or date of adoption or placement for adoption.

## Exclusions

The following services are not covered by a Supplemental Hospital Insurance policy. This is only a brief list of exclusions. For a complete list of all policy provisions, including limitations and exclusions refer to the policy. Consult the certificate of insurance for a complete list of exclusions and description of the benefits not covered.

Except as specifically provided for in the policy, the plan does not provide any benefits when a covered person receives any of the following treatments, services or supplies:

- A pre-existing condition, as defined
- Preventive care, including routine physical examinations and immunizations (unless the optional Preventive Care Benefit rider is shown as included on the schedule of benefits)
- Treatment that is not medically necessary or not recommended by a doctor, or is not due to an injury or illness
- Any treatment provided by a government-owned or government-operated facility or by government-employed health care providers
- A weekend hospital confinement occurring between noon on any Friday and noon the following Sunday for non-emergency procedures, unless medically necessary or unless surgery is scheduled for the next day
- Services or supplies for the treatment of an occupational Injury or Illness which are paid under the North Carolina Workers' Compensation Act only to the extent such services or supplies are the liability of the employee, employer or workers' compensation insurance carrier according to a final adjudication under the North Carolina Workers' Compensation Act or an order of the North Carolina Industrial Commission approving a settlement agreement under the North Carolina Workers' Compensation Act
- Physical or psychological examinations required by any third party, such as by a court or for employment, licensing, insurance, school, sports or recreational purposes
- An injury or illness incurred while on active duty with the military of any country or international organization, or resulting from war, act of war or participation in a riot or insurrection
- An injury or illness incurred during the commission or attempted commission of a crime or felony or while engaged in an illegal act or while imprisoned
- An injury or illness, incurred due to, or contracted as a consequence of a covered person being intoxicated or under the influence of illegal narcotics or other drugs, unless the drug is administered by a doctor and taken in accordance with the prescribed dosage
- An injury or illness for which treatment, services or supplies were received or purchased outside the United States unless the charges are incurred while traveling on business or for pleasure, for a period not to exceed 90 days, and the charges are incurred for an emergency, provided the treatment, services or supplies used in connection with the emergency are approved for use in the United States
- Treatment, services or supplies for (a) breast augmentation; (b) the removal of breast implants unless medically necessary and related to surgery performed as reconstructive surgery due to an illness; and (c) breast reduction surgery unless medically necessary due to an illness
- Surgery to correct refractive errors
- Routine eye exams, glasses or contact lenses, or visual therapy
- Routine hearing exams or hearing aids
- Penile implants and fertility and sterility studies
- Voluntary abortion; infertility including impregnation techniques; or reversal of sterilization
- Mental illness disorders; substance abuse; tobacco-cessation programs and products
- Marriage or family counseling, recreational therapy, equine therapy, educational therapy, social therapy, sex therapy; or sexual reassignments, dysfunctions or inadequacies
- Meridian therapy (acupuncture), or spinal manipulation
- Orthotics; treatment, services or supplies related to the feet by means of posting, strapping or range-of-motion studies; or related to paring or removal corns, calluses, bunions or toenails
- Obesity or weight reduction including all forms of surgery and complications resulting from such surgery; education or training material
- Treatment for which the covered person is not required to pay; or treatment rendered by a person who ordinarily resides in your household or a member of your immediate family
- Custodial care, domiciliary care or rest cures regardless of who prescribes or renders such care; inpatient personal convenience items
- An injury or illness resulting from participation in hazardous avocations including: mountain or rock climbing, skydiving, hang gliding, motor vehicle racing, scuba diving, rodeo or private aviation
- Telephone consultations, missed appointment fees and fees for completing claim forms
- Outpatient prescription medications
- Treatment, services or supplies related to the teeth gums, or any other associated structures
- Treatment for temporomandibular joint (TMJ) dysfunction
- Experimental or investigational procedures, drugs or treatment methods
- Intentionally self-inflicted injury or illness while sane; except a self-inflicted injury or illness that is the result of a medical condition
- Outpatient treatment, services and supplies except as specifically provided for in the policy
- Physical, speech or occupational therapy
- Hospice or home health care
- Treatment, services or supplies to improve the appearance or self-perception of a covered person, which does not restore a bodily function including, without limitation, cosmetic or plastic surgery, hair loss or skin wrinkling, or the complications of any such treatment
- Pregnancy except complications of pregnancy
- Treatment, services or supplies for complications of conditions that are not covered under the policy

## Important information

This brochure provides a very brief description of the important features of a Supplemental Hospital Insurance plan. This brochure is not a policy and only the actual policy provisions will control. The Loomis Company (Loomis) serves as the administrator for the Supplemental Hospital Insurance policy on behalf of Independence American Insurance Company. Insurance coverages are provided under the Master Group Insurance Policy (IAIC-IPAHIP-0810), underwritten by Independence American Insurance Company and issued to the policyholder. Exclusions and limitations apply. Association benefits are offered at the sole discretion of ABBA or CA and may vary by vendor or state.

These products are not qualifying health coverage ("Minimum Essential Coverage") that satisfies the health coverage requirement of the Affordable Care Act. If you don't have Minimum Essential Coverage, you may owe an additional payment with your taxes. The termination or loss of this policy does not entitle you to a special enrollment period to purchase a health benefit plan that qualifies as minimum essential coverage outside of an open enrollment period. These products may include a pre-existing condition exclusion provision.

## About Independence American Insurance Company

Independence American Insurance Company is domiciled in Delaware and licensed to write property and/or casualty insurance in all 50 states and the District of Columbia. Its products include short-term medical, hospital indemnity, fixed indemnity limited benefit, group and individual dental, and pet insurance. Independence American is rated A- (Excellent) for financial strength by A.M. Best, a widely recognized rating agency that rates insurance companies on their relative financial strength and ability to meet policyholder obligations (an A++ rating from A.M. Best is its highest rating).

## About The IHC Group

Independence Holding Company (NYSE: IHC), formed in 1980, is a holding company that is principally engaged in underwriting, administering and/or distributing group and individual specialty benefit products, including disability, supplemental health, pet, and group life insurance through its subsidiaries (Independence Holding Company and its subsidiaries collectively referred to as "The IHC Group"). The IHC Group includes three insurance companies (Standard Security Life Insurance Company of New York, Madison National Life Insurance Company, Inc. and Independence American Insurance Company), and IHC Specialty Benefits, Inc., a technology-driven full-service marketing and distribution company that focuses on small employer and individual consumer products through general agents, telebrokerage, call centers, advisors, private label arrangements, independent agents, and through the following brands: [www.HealtheDeals.com](http://www.HealtheDeals.com); [Health eDeals Advisors](http://Health eDeals Advisors); [Aspira A Mas](http://Aspira A Mas); [www.PetPartners.com](http://www.PetPartners.com); and [www.PetPlace.com](http://www.PetPlace.com).

## About The Loomis Company

The Loomis Company (Loomis), founded in 1955, has been a leading Third Party Administrator (TPA) since 1978. Loomis has strategically invested in industry leading ERP platforms, and partnered with well-respected companies to enhance and grow product offerings. Loomis supports a wide spectrum of clients from self-funded municipalities, school districts and employer groups, to large fully insured health plans who operate on and off state and federal marketplaces. Through innovation and a progressive business model, Loomis is able to fully support and interface with its clients and carriers to drive maximum efficiencies required in the ever evolving healthcare environment.

