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## **AIG Critical Illness Plan**

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**Effective Date: January 1, 2009 (pending underwriting approval)**

The Critical Illness plan provides a lump sum benefit upon the diagnosis of not only one covered illness, but for each covered illness.

Heart attack, stroke, or renal failure that require dialysis, are life-changing events. Medical coverage will help with a large portion of the medical expenses associated with the treatment of critical illnesses, but what about the out-of-pocket medical expenses? What about the expenses associated with life changes following a critical illness. Group Critical Illness insurance provides a lump-sum payment to cover out-of-pocket medical expenses and the costs associated with life-changes following a covered critical illness.

### **PLAN FEATURES**

- Lump-sum benefits paid directly to the insured following diagnosis of each covered critical illness.
- Spouse coverage available
- Each dependent child is covered at 10 percent of the primary insured amount at no additional charge.
- Benefits amounts available for \$5000 up to \$50,000 for employees and up to \$25,000 for spouses.
- Annual health screening benefits included.
- The plan is portable with certain stipulations
- Level premium rates based upon the applicant's age as of the time of application.

Rates cannot be individually increased on a particular insured due to a change in age, health, or individual claim.

### **FIRST OCCURRENCE BENEFIT**

After the Waiting Period, an insured may receive up to 100% of the benefit selected upon the first diagnosis of each covered critical illness.

<b>Covered Critical Illness*</b>	
Heart Attack	100%
Stroke	100%
Major Organ Transplant	100%
Renal Failure (End Stage)	100%
Internal Cancer	100%
Carcinoma in situ**	25%
Coronary Artery Bypass Surgery**	25%

\* At age 70, benefits are reduced by 50%

\*\* A partial benefit (25%) is payable for carcinoma in situ and coronary artery bypass surgery. Payment of the partial benefit for carcinoma in situ will reduce the benefit for internal cancer by 25%. Payment of the partial benefit for coronary artery bypass surgery will reduce the benefit for a heart attack by 25%.

## **ADDITIONAL OCCURRENCE BENEFIT**

If an insured collects full benefits for a Critical Illness under the plan and later has one of the remaining covered illnesses, then AIG will pay the full benefit amount for any additional illness. Occurrences must be separated by at least 6 months.

## **RE-OCCURRENCE BENEFIT**

This plan also provides a re-occurrence benefit. If an insured receives full benefit for a covered condition and is later diagnosed with the same condition, we will pay the full benefit again. The two dates of diagnosis must be separated by at least 12 months or 12 months treatment free for Internal Cancer.

## **HEALTH SCREENING BENEFITS**

After the Waiting period, an insured may receive a maximum of \$50 for any one covered screening test per calendar year. We will pay this benefit regardless of the results of the test. Payment of this benefit will not reduce the amount payable for the diagnosis of a critical illness. There is no limit to the number of years the insured can receive the health screening benefit; it will be paid as long as the policy remains in force. This benefit is payable for the covered employee and spouse. This benefit is not paid for dependent children. The covered health screening tests include:

- Stress test on a bicycle or treadmill
- Fasting glucose test, blood test for triglycerides or serum cholesterol test to determine level of HDL and LDL
- Bone marrow testing
- Breast ultrasound
- Chest x-ray
- Colonoscopy
- CA 125 (blood test for ovarian cancer)
- CEA (blood test for colon cancer)
- Flexible Sigmoidoscopy
- Hemocult stool analysis
- Mammography
- Pap smear
- Serum protein electrophoresis (blood test for myeloma)
- Thermography
- CA 15-3 (blood test for breast cancer)
- PSA (blood test for prostate cancer)

## **ELIGIBILITY**

All full-time employees between the ages of 18 and 69, who are working at least 30 hours a week and with at least 90 days of continuous employment are eligible for this coverage. An eligible employee may also cover a spouse and dependent, unmarried children up to age 25. In order to cover a spouse, the employee must also apply. The spouse amount may not exceed 50% of the employee amount, subject to the minimum face amount of \$5000. If an employee does not meet the underwriting requirements necessary to participate in the plan, the spouse can still obtain coverage. The spouse would then become the primary insured and is limited to face amounts between \$5000 and \$25,000. Each dependent child is covered at 10% of the primary insured amount at no additional charge. AIG will pay 10% of the primary insured amount no more than once for the same covered critical illness. The payment of benefits for a dependent child does not reduce the face amount of the primary insured. Child coverage would end when benefits for the last remaining adult insured is paid in full.



## **PORTABILITY**

When an employee ends employment with the group, coverage may be continued. The employee must have been continuously insured for six months prior to terminating employment. The employee will continue the coverage that was in force on the date employment ended, including any dependent coverage that was in effect.

The employee will be allowed to continue the coverage as long as the premiums are paid. Coverage may not be continued if the employee fails to pay any required premium, reaches age 70, or the group master policy terminates.

## **LIMITATIONS AND EXCLUSIONS**

Coverage will not be issued for any employee or dependent spouse if they have been treated for: a) cancer or any malignancy which includes melanoma, carcinoma, sarcoma, Hodgkin's Disease, leukemia, lymphoma, or malignant tumor. Cancer does not include basal cell or squamous cell carcinoma of the skin; b) a stroke, a heart attack, a heart condition, heart trouble, or any abnormality of the heart (including artery disease), diabetes or any liver disorder; c) kidney (renal) failure or end stage kidney disease; d) organ transplant; e) emphysema; or f) now taking three (3) or more medications for high blood pressure; g) Acquired Immune Deficiency Syndrome (AIDS) or AIDS related Complex (ARC), or tested positive for antigens or antibodies to an AIDS virus; or is now hospitalized or unable to perform their normal duties and activities.

The plan contains a 30-day waiting period. This means that no benefits are payable for any covered person who has been diagnosed before coverage has been in force 30 days from the effective date of coverage. If a covered person is first diagnosed during the waiting period, benefits for that Critical Illness or specified procedure will apply only to loss commencing after two years from the effective date of coverage, or the covered person may elect to void the certificate from the beginning and receive a full refund of premium.

The date of diagnosis of a Critical Illness must be separated from the date of diagnosis of a subsequent different Critical Illness by at least 6 months. The date of diagnosis of a Critical Illness must be separated from the date of diagnosis of a subsequent same Critical Illness by at least 12 months.

The applicable benefit amount will be paid if: the date of diagnosis is after the waiting period; the date of diagnosis occurs while the insured's certificate is in force; and the cause of the illness is not excluded by name or specific description.

Benefits will not be paid for loss due to:

- Intentionally self-inflicted injury or action;
- Suicide or attempted suicide while sane or insane;
- Illegal activities or participation in an illegal occupation;
- War, whether declared or undeclared or military conflicts, participation in an insurrection or riot, civil commotion, or state of belligerence;
- Substance abuse; or
- Pre-existing conditions.

## **PRE-EXISTING CONDITION LIMITATION**

"Pre-existing Condition" means a sickness or physical condition which, within the 12-month period prior to the effective date, either: 1) resulted in the insured receiv-

ing medical advice or treatment; or 2) caused symptoms for which an ordinarily prudent person would seek medical advise or treatment. AIG will not pay benefits for any condition or illness starting within 12 months of the effective date which is caused by, contributed to, or resulting from a pre-existing condition. A claim for benefits for loss starting after 12 months from the effective date will not be reduced or denied on the grounds that it is caused by a pre-existing condition. A condition will no longer be considered pre-existing at the end of 12 consecutive months starting and ending after the effective date.

City of McMinnville Critical Illness

Semi-Monthly Rates

EMPLOYEE NON-TOBACCO										
AGES	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000
18-29	\$1.80	\$2.73	\$3.65	\$4.58	\$5.50	\$6.43	\$7.35	\$8.28	\$9.20	\$10.13
30-39	\$2.58	\$4.28	\$5.98	\$7.68	\$9.38	\$11.08	\$12.78	\$14.48	\$16.18	\$17.88
40-49	\$4.33	\$7.78	\$11.23	\$14.68	\$18.13	\$21.57	\$25.03	\$28.48	\$31.93	\$35.38
50-59	\$7.11	\$13.34	\$19.57	\$25.81	\$32.04	\$38.27	\$44.51	\$50.74	\$56.98	\$63.21
60-69	\$10.88	\$20.88	\$30.88	\$40.88	\$50.88	\$60.88	\$70.88	\$80.88	\$90.88	\$100.88
EMPLOYEE TOBACCO										
AGES	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000
18-29	\$2.43	\$3.98	\$5.53	\$7.08	\$8.63	\$10.18	\$11.73	\$13.28	\$14.83	\$16.38
30-39	\$3.80	\$6.73	\$9.65	\$12.58	\$15.50	\$18.43	\$21.35	\$24.28	\$27.20	\$30.13
40-49	\$8.13	\$15.38	\$22.63	\$29.88	\$37.13	\$44.38	\$51.63	\$58.88	\$66.13	\$73.38
50-59	\$13.38	\$25.88	\$38.38	\$50.88	\$63.38	\$75.88	\$88.38	\$100.88	\$113.38	\$125.88
60-69	\$20.88	\$40.88	\$60.88	\$80.88	\$100.88	\$120.88	\$140.88	\$160.88	\$180.88	\$200.88
SPOUSE NON-TOBACCO										
AGES	\$5,000	\$7,500	\$10,000	\$12,500	\$15,000	\$17,500	\$20,000	\$22,500	\$25,000	
18-29	\$1.80	\$2.25	\$2.73	\$3.19	\$3.64	\$4.12	\$4.57	\$5.05	\$5.50	
30-39	\$2.58	\$3.42	\$4.27	\$5.14	\$5.98	\$6.83	\$7.67	\$8.52	\$9.38	
40-49	\$4.33	\$6.05	\$7.78	\$9.49	\$11.22	\$12.96	\$14.67	\$16.40	\$18.14	
50-59	\$7.11	\$10.23	\$13.35	\$16.47	\$19.57	\$22.68	\$25.81	\$28.93	\$32.05	
60-69	\$10.88	\$15.88	\$20.87	\$25.87	\$30.88	\$35.88	\$40.88	\$45.87	\$50.87	
SPOUSE TOBACCO										
AGES	\$5,000	\$7,500	\$10,000	\$12,500	\$15,000	\$17,500	\$20,000	\$22,500	\$25,000	
18-29	\$2.43	\$3.21	\$3.97	\$4.75	\$5.53	\$6.31	\$7.09	\$7.84	\$8.62	
30-39	\$3.79	\$5.27	\$6.72	\$8.19	\$9.64	\$11.12	\$12.57	\$14.04	\$15.49	
40-49	\$8.13	\$11.74	\$15.38	\$19.00	\$22.62	\$26.26	\$29.88	\$33.50	\$37.12	
50-59	\$13.37	\$19.63	\$25.87	\$32.13	\$38.37	\$44.63	\$50.87	\$57.13	\$63.38	
60-69	\$20.87	\$30.88	\$40.88	\$50.87	\$60.88	\$70.87	\$80.88	\$90.87	\$100.88	

**AMERICAN GENERAL ASSURANCE COMPANY**  
**1000 East Woodfield Road / Schaumburg, Illinois 60173**  
**Customer Service: 800-308-6457**