

Aflac Group Hospital Indemnity

INSURANCE PLANS – HIGH AND LOW

Even a small trip to the hospital can have a major impact on your finances.

Here's a way to help make your visit a little more affordable.



We've got you under our wing.®

AFLAC GROUP HOSPITAL INDEMNITY INSURANCE PLANS – HIGH AND LOW

Policy Series CA8500-MP-NC



The plan that can help cover expenses and protect your savings.

Does your major medical insurance cover all of your bills?

Even a minor trip to the hospital can present you with unexpected expenses and medical bills. And though you may have major medical insurance, your plan may only pay a portion of what your entire stay entails.

That's how the Aflac group supplemental hospital indemnity insurance plan can help.

It provides financial assistance to enhance your current coverage. So you can avoid dipping into savings, or having to borrow to cover out-of-pocket-expenses health insurance was never intended to cover. Like transportation and meals for family members, help with child care or time away for work, for instance.

In addition to providing you with cash benefits (unless otherwise assigned) during a covered hospitalization, Aflac's group supplemental hospital indemnity plan has been designed with much more in mind, such as:

- **No deductibles.**
- **No networks, which means you can be treated at the hospital of your choice.**
- **No precertification.**



Understanding the facts can help you decide if the Aflac group
Supplemental Hospital Indemnity plan makes sense for you.

FACT NO. 1

\$1,625

IS THE AVERAGE COST PER INPATIENT DAY IN U.S. HOSPITALS.¹

FACT NO. 2

42.2 MILLION

TRIPS TO HOSPITAL EMERGENCY ROOMS
IN 2006 WERE DUE TO PERSONAL INJURIES.²

¹The average cost per inpatient day in U.S. hospitals is \$1,625. State Health Facts, Kaiser Family Foundation, 2010.

²http://www.usatoday.com/money/industries/health/2004-04-13-rising-hospital-costs_x.htm

Here's why the Aflac group supplemental Hospital Indemnity plan may be right for you.

For almost 60 years, Aflac has been dedicated to helping provide individuals and families peace of mind and financial security when they've needed it most. Our group supplemental Hospital Indemnity plan is just another innovative way to help make sure you're well protected under our wing.

But it doesn't stop there, having group supplemental Hospital Indemnity insurance from Aflac means that you will have added financial resources to help with medical costs or ongoing living expenses.

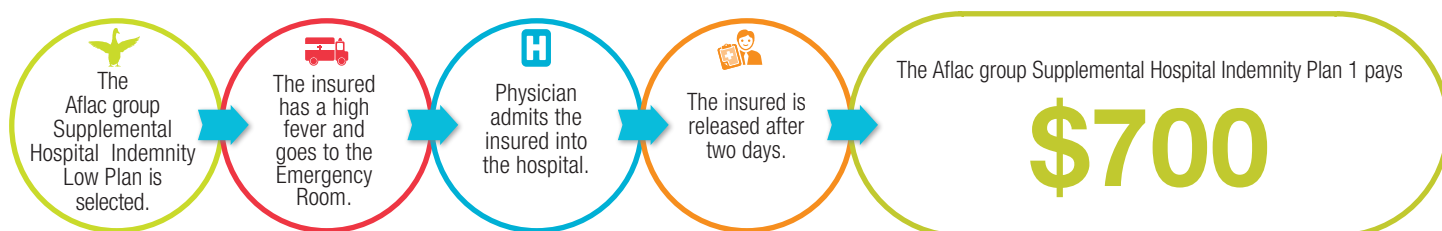
The Aflac group supplemental hospital indemnity plan benefits:

- Hospital Confinement Benefit
- Hospital Admission Benefit

Features:

- Benefits are paid directly to you unless you choose otherwise.
- Coverage is available for you, your spouse, and dependent children.
- Coverage is portable. That means you can take it with you if you change jobs or retire (with certain stipulations).
- Fast claims payment. Most claims are processed in about four days.

How it works



Amount payable was generated based on benefit amounts for: Hospital Admission (\$500), and Hospital Confinement (\$100 per day).

The plan has limitations and exclusions that may affect benefits payable. This brochure is for illustrative purposes only. Refer to the plan for complete details, definitions, limitations, and exclusions.

For more information, ask your insurance agent/producer or call 1.800.433.3036 || aflacgroupinsurance.com

Benefits Overview

	LOW	HIGH
<p>HOSPITAL ADMISSION</p> <p>The benefit is paid when a Covered Person is admitted to a hospital and confined as a resident bed patient because of Injuries or because of a Covered Sickness. In order to receive this benefit for Injuries the Covered Person must be admitted to a hospital within six months of the date of the Covered Accident.</p> <p>We will not pay benefits for confinement to an observation unit, or for emergency treatment or outpatient treatment. We will pay this benefit once for a period of confinement. We will only pay this benefit once for each injury or Covered Sickness. If a Covered Person is confined to the hospital because of the same or related Injury or Sickness, we will not pay this benefit again.</p> <p>Residents of Massachusetts are not eligible for Hospital Admission Benefit amounts in excess of \$500.</p>	<p>\$500 per admission</p>	<p>\$1,500 per admission</p>
<p>HOSPITAL CONFINEMENT (up to 180 days per confinement)</p> <p>This benefit is paid when a Covered Person is confined to a hospital as a resident bed patient as a result of Injuries or because of a Covered Sickness. To receive this benefit for Injuries the Covered Person must be confined to a hospital within six months of the date of the Injury.</p> <p>This benefit is payable for only one hospital confinement at a time even if caused by more than one Injury, more than one Covered Sickness, or an Injury and a Covered Sickness.</p>	<p>\$100 per day</p>	<p>\$150 per day</p>
<p>SURGICAL AND ANESTHESIA BENEFIT</p> <p>This benefit is paid when a Covered Person has surgery performed by a physician due to an Injury or because of a Covered Sickness. If two or more surgical procedures are performed at the same time through the same or different incisions, only one benefit, the largest, will be provided. Surgical and anesthesia benefits are available subject to plan definitions and the surgical schedule. (The anesthesia benefit will be 25 percent of the surgical benefit performed.)</p>	<p>Surgery up to \$750; Anesthesia up to \$187.50</p>	<p>Surgery up to \$1,500; Anesthesia up to \$375</p>
<p>WELLNESS BENEFIT</p> <p>We will pay the amount shown when an insured visits a doctor and he is neither injured nor sick. This benefit is payable once per calendar year per insured.</p>	<p>\$50 per visit</p>	<p>\$50 per visit</p>

LIMITATIONS AND EXCLUSIONS

If this coverage will replace any existing individual policy, please be aware that it may be in your best interest to maintain your individual guaranteed-renewable policy.

EXCLUSIONS

We will not pay benefits for loss caused by Pre-Existing Conditions.

We will not pay benefits for loss contributed to, caused by, or resulting from:

- War – participating in war or any act of war, declared or not, or participating in the armed forces of or contracting with any country or international authority. We will return the prorated premium for any period not covered by this certificate when you are in such service.
- Suicide – committing or attempting to commit suicide, while sane or insane.
- Self-Inflicted Injuries – injuring or attempting to injure yourself intentionally.
- Traveling – traveling more than 40 miles outside the territorial limits of the United States, Canada, Mexico, Puerto Rico, the Bahamas, Virgin Islands, Bermuda, and Jamaica.
- Racing – Riding in or driving any motor-driven vehicle in a race, stunt show, or speed test.
- Aviation – operating, learning to operate, serving as a crew member on, or jumping or falling from any aircraft, including those which are not motor-driven.
- Intoxication – being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a physician.
- Illegal Acts – participating or attempting to participate in an illegal activity, or working at an illegal job.
- Sports – participating in any organized sport: professional or semiprofessional.
- Custodial Care. This is care meant simply to help people who cannot take care of themselves.
- Treatment for being overweight, gastric bypass or stapling, intestinal bypass, and any related procedures, including complications.
- Services performed by a relative.
- Services related to sex change, sterilization, in vitro fertilization, or reversal of a vasectomy or tubal ligation.
- A service or a supply furnished by or on behalf of any government agency unless payment of the charge is required in the absence of insurance.
- Elective abortion.
- Treatment, services, or supplies received outside the United States and its possessions or Canada.
- Dental services or treatment.
- Cosmetic surgery, except when due to medically necessary reconstructive plastic surgery.
- Mental or emotional disorders without demonstrable organic disease.
- Alcoholism, drug addiction, or chemical dependency.
- Injury or sickness for which benefits are paid or payable by Worker's Compensation.
- Routine physical exams and rest cures.

PRE-EXISTING CONDITION LIMITATION

Pre-Existing Condition means within the 12-month period prior to the Effective Date of the certificate those conditions for which medical advice or treatment was received or recommended.

We will not pay benefits for any loss or injury which is caused by, contributed to by, or resulting from a Pre-Existing Condition for 12 months

after the Effective Date of the certificate, or for 12 months from the date medical care, treatment, or supplies were received for the Pre-Existing Condition, whichever is less.

A claim for benefits for loss starting after 12 months from the Effective Date of a certificate, as applicable, will not be reduced or denied on the grounds that it is caused by a Pre-Existing Condition.

Pregnancy is a “Pre-Existing Condition” if conception was before the effective date of a certificate.

If a certificate is issued as a replacement for a certificate previously issued under the Plan, then the Pre-Existing Condition limitation provision of the new certificate applies only to any increase in benefits over the prior certificate. Any remaining period of Pre-Existing Condition limitation of the prior certificate would continue to apply to the prior level of benefits.

TERMS YOU NEED TO KNOW

You and Your – Refer to an employee as defined in the Plan.

Class I

All full-time and part-time benefit-eligible employees are eligible for Class I coverage. That eligibility extends to their spouses and children under age 26.

Class II

A Class I primary insured is eligible for Class II coverage if he:

- Was previously insured under Class I; and
- Is no longer employed by the policyholder.

The employee must elect Class II coverage under the Portability Privilege within 31 days after the date for which his Class I eligibility would otherwise terminate.

Only dependents covered under Class I coverage are eligible for continued coverage under Class II.

Class II insureds cannot continue coverage through the employer's payroll deduction process. They must remit premiums directly to the company.

The employee may purchase supplemental hospital indemnity coverage for his spouse and/or dependent children. The spouse and dependent children cannot participate if the employee is not eligible for coverage or elects not to participate.

Spouse – means your legal spouse who is between that ages of 18 and 64.

Dependent Children – means your natural children, step-children, foster children, legally adopted children or children placed for adoption, who are under age 26.

a. Coverage on Dependent Children will terminate on the child's 26th birthday. However, if any child is incapable of self-sustaining employment due to mental retardation or physical handicap and is dependent on a parent(s) for support, the above age of twenty-six (26) shall not apply. Proof of such incapacity and dependency must be furnished to the Company within thirty-one (31) days following such 26th birthday, and not more frequently than annually from then forward.

b. Newborn Children of an Employee and/or his/her insured spouse and newborn Adopted Children shall automatically be covered from the moment of birth provided the birth was after the Effective Date of the Dependent Children Benefit Rider under the same terms and conditions that apply to the natural, dependent children of covered persons.

c. Other foster children and adopted children shall be treated the same as newborn infants and are eligible for coverage on the same basis upon placement in the Employee's home, under the same terms and conditions that apply to the natural, dependent children of covered persons.

d. If a parent is required by a court or administrative order to provide health benefit plan coverage for a child, and the parent is eligible for family health benefit plan coverage through a health insurer, the health insurer:

i. Must allow the parent to enroll, under the family coverage, a child who is otherwise eligible for the coverage without regard to any enrollment season restrictions.

ii. Must enroll the child under family coverage upon application of the child's other parent or the Department of Health and Human Services in connection with its administration of the Medical Assistance or Child Support Enforcement Program if the parent is enrolled but fails to make application to obtain coverage for the child.

iii. May not disenroll or eliminate coverage of the child unless the health insurer is provided satisfactory written evidence that the court or administrative order is no longer in effect or the child is or will be enrolled in comparable health benefit plan coverage through another health insurer, which coverage will take effect not later than the effective date of disenrollment.

iv. Will not impose pre-ex limitations or waiting periods.

If Dependent Children are covered under the plan, Dependent Children born or placed in the Employee's home after the Effective Date of this Rider will also be covered from the moment of birth provided the birth was after the Effective Date of the Dependent Children Benefit Rider. No notice or additional premium is required if the Dependent Children Benefit Rider is already in force, and the enrollment period will be waived. The company will not impose pre-ex limitations or waiting periods for newborn children, foster and adopted children if they are enrolled upon placement or children covered by the court or administrative order. Newborn children are not covered from the time of birth unless Dependent Children Benefit Rider coverage is already in force and effective prior to birth.

Covered Person – means the insured if the certificate is issued as Individual coverage.

If the certificate is issued as:

Employee/Spouse coverage Covered Person means the insured and the insured's legal spouse;

Single Parent Family coverage Covered Person means the insured and insured's covered dependent children as defined in the applicable rider, that have been accepted for coverage;

Family coverage Covered Person means the insured, the insured's spouse, and the insured's covered dependent children, as defined in the applicable rider, that have been accepted for coverage.

Immediate Family Member – means an insured's spouse, son, daughter, mother, father, sister, or brother.

Injury or Injuries – An accidental bodily injury or injuries caused solely by or as the result of a Covered Accident.

Covered Accident – An accident, which occurs on or after a Covered Person's Effective Date, while the certificate is in force, and which is not specifically excluded.

Sickness – An illness, infection, disease or any other abnormal condition, which is not caused solely by or the result of an Injury.

Covered Sickness – An illness, infection, disease, or any other abnormal physical condition which is not caused solely by or the result of any Injury which occurs while the certificate is in force; and was not treated or for which a Covered Person did not receive advice within 12 months before the Effective Date of his/her coverage; and is not excluded by name or specific description in the certificate.

Doctor or Physician – A person, other than yourself, or a member of your immediate family, who is licensed by the state to practice a healing art; performs services which are allowed by his or her license; and performs services for which benefits are provided by the certificate.

A hospital is not a nursing home; an extended care facility; a convalescent home; a rest home or a home for the aged; a place for alcoholics or drug addicts; or a mental institution.

A hospital intensive care unit is not any of the following step-down units:

A progressive care unit;

A sub-acute intensive care unit;

An intermediate care unit;

A private monitored room;

A surgical recovery room;

An observation unit; or

Any facility not meeting the definition of a hospital intensive care unit as defined in the plan.

Hospital includes any duly licensed state tax supported institution, including those community health centers and other health clinics which are certified as Medicaid providers.

Effective Date – The date as shown in the Certificate Schedule if you are on that date actively at work for the policyholder. If not, the certificate will become effective on the next date you are actively at work as an eligible employee. The certificate will remain in effect for the period for which the premium has been paid. The certificate may be continued for further periods as stated in the plan. The certificate is issued in consideration of the payment in advance of the required premium and of your statements and representations in the application. A copy of your application will be attached and made a part of the certificate. The certificate, on its Effective Date, automatically replaces any certificate or certificates previously issued to you under the plan.

Individual Termination – Your insurance will terminate on the earliest of the date the plan is terminated for Class I insureds; on the 31st day after the premium due date if the required premium has not been paid; on the date you cease to meet the definition of an employee as defined in the plan for Class I insureds; or on the date you are no longer a member of an eligible class.

Insurance for an insured Spouse or Dependent Child will terminate the earliest of the date the Plan is terminated, for dependents of Class I insureds; the 31st day after the premium due date, if the required premium has not been paid; the date the Spouse or Dependent Child ceases to be a dependent; or the premium due date following the date we receive written request to terminate coverage for an insured's Spouse and/or all Dependent Children.

Termination of any Covered Person's insurance under the certificate shall be without prejudice to his or her rights as regarding any claim arising prior thereto.

PORTABILITY PRIVILEGE

Under the Portability Privilege provision, when coverage would otherwise terminate because an Employee ends his employment, coverage may be continued. He may exercise the Portability Privilege when there is a change to his coverage class. The Employee — and any covered dependents — will continue the coverage that is in-force on the date employment ends. The continued coverage will be provided under Class II.

The premium rate for portability coverage may change for the class of covered persons on portability on any premium due date. Written notice will be given at least 45 days before any change is to take effect.

The Employee may continue the coverage until the earlier of:

- the date he fails to pay the required premium; or
- the date the class of coverage is terminated.

Coverage may not be continued:

- if the Employee fails to pay any required premium; or
- if the Company receives notice of Class I plan termination.

Continental American Insurance Company is not aware of whether you receive benefits from Medicare, Medicaid, or a state variation. If you or a dependent are subject to Medicare, Medicaid, or a state variation, any and all benefits under this plan could be assigned. This means that you may not receive any of the benefits in the plan. As a result, please check the coverage in all health insurance policies you already have or may have before you buy this insurance to verify the absence of any assignments or liens.

Notice to Consumer: The coverages provided by Continental American Insurance Company (CAIC) represent supplemental benefits only. They do not constitute comprehensive health insurance coverage and do not satisfy the requirement of minimum essential coverage under the Affordable Care Act. CAIC coverage is not intended to replace or be issued in lieu of major medical coverage. It is designed to supplement a major medical program.

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under our wing.®**

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The certificate to which this sales material pertains is written only in English; the certificate prevails if interpretation of this material varies.

This brochure is a brief description of coverage and is not a contract. Read your certificate carefully for exact terms and conditions.

This brochure is subject to the terms, conditions, and limitations of Policy Form Series CA8500-MP-NC.

