Hospital Indemnity Plan
What is the purpose of a Hospital Indemnity Plan?

The hospital indemnity plan supplements other medical care insurance you may carry. It is rare that any plan covers all of the expenses of an accident or sickness especially if hospitalization is involved.

Who is eligible for benefits?

Regular AVMA members under age 65, who reside in the United States and Student Chapter members attending a full schedule of classes in the United States, may apply to insure themselves and their eligible dependents. Eligible dependents include the member’s spouse/domestic partner and unmarried dependent children under age 23.

You’ll receive a daily benefit you can use as you wish.

You can select a Daily Benefit of $10 to $100 (in $10 units) for yourself. You may also select an equal or lesser amount for your eligible dependents, but not more than the member's benefit amount.

The Benefit will be paid to you for each day of a covered hospitalization, for which a Room and Board charge is made, for up to 365 days for each separate confinement. The benefit can be used as you wish. It can help meet your deductible, coinsurance share of Eligible Expenses or the extra cost of a private room.

Convalescent Nursing Home Coverage is also included.

Immediately following a hospital confinement of at least 15 consecutive days, 50% of the Daily Benefit will be paid for each consecutive day of confinement in a Convalescent Nursing Home for up to 180 days.

Please note the following exclusions and limitations:

- Hospitalization must begin while the insured is being treated for a sickness or injury.

- Benefits are not payable for hospitalization due to:
  - war or military service;
  - pregnancy (except for specified complications) or;
  - routine nursery care for a newborn child.
Exclusions and Limitations (con’t)

- Cosmetic surgery when surgery is not the result of an injury sustained in an accident or a congenital anomaly of a child and the surgery is not performed solely to improve the child’s appearance.

- Any specific condition for which an Impairment Restriction has been placed on a covered person’s coverage, for which benefits are payable under any worker’s compensation law.

- Successive periods of confinement are treated as if they were one unless they are separated by 90 consecutive days during which the person was not confined to an institution for medical care of treatment; or they are due to unrelated causes.

Here are the definitions of terms used in this description.

Each insured person receives a Certificate of Insurance, which describes his or her coverage in detail and describes some important terms. Here are a few more important definitions:

Hospital means an institution for the care and treatment of sick and injured persons. It must provide 24 hour nursing by graduate registered nurses and have organized facilities (or diagnosis and surgery). But none of these qualify as a Hospital:

- An institution owned or run by national or state government (other than a facility of the United States Uniformed Services);

- An institution, or part of it, used mainly as a facility for rest, nursing, convalescent, the aged, or for remedial education or training.

Convalescent Nursing Home is an institution for skilled nursing care of sick and injured persons. It must meet these standards:

- It must be supervised 24 hours a day by a physician, registered nurse, or licensed practical nurse;

- It must have a physician’s services available at all times;

- It must have enough nurses to give continuous patient care;

- It must keep a daily medical record for each patient.
When your coverage becomes effective

- You must provide satisfactory evidence of insurability.

- Your coverage will take effect on the first day of the month following or coinciding with the date your coverage is approved by New York Life, provided:
  - The initial contribution is paid to the AVMA Group Health and Life Insurance Trust Office within 31 days of that date;
  - You and any dependents to be insured are performing the normal activities of a person in good health or like age and sex on the date of approval.

Additional dependents may be automatically covered.

Generally a member must apply to add coverage for new dependents. New York Life may accept or decline them based on its underwriting rules. But there are two important exceptions when a member marries and with respect to a child born to the member of his spouse/domestic partner while the member is himself or herself insured for Hospital Indemnity coverage.

1. When a member marries, his spouse and any additional eligible dependents acquired as a result of the marriage will be guaranteed coverage under the Plan in force for the member, if the application and the required additional payment are received by the AVMA Group Health and Life Insurance Trust Office within 31 days. This guaranteed coverage will be effective on the date the application and payment reach the Trust Office provided the dependent is performing the normal activities of a person in good health of like age and sex on that day.

2. If the member is insured for dependent children Hospital Indemnity coverage, additional eligible children are covered automatically for the same coverages and no notice or additional payment is required.

Automatic coverage also will be extended to a first child for the same Hospital Indemnity coverage in force for the member. If both parents are insured as members, this child is eligible as a dependent of one parent only. The Trust Office must be given written notification of which parent will carry child coverage. Coverage will continue until the first regular billing date after the child is born, or for at least 31 days, if this is longer. If the member wishes to continue the coverage he must notify the Trust Office in writing and remit the added payment within 31 days after the automatic coverage would normally terminate. The additional payment is due from the first of the month coincident with or following the child's date of birth.
Filing a claim is simple.

- Visit www.avmaghlit.org to download the Claim Form.
- Complete the Insured’s Statement portion of the claim form and have your health care provider complete the Attending Physician portion.
- Mail claim form to:
  
  AVMA/GHLIT
  
  P.O. Box 909720
  
  Chicago, IL 60690-9720

About continuation of insurance.

New York Life cannot terminate coverage or change benefits or premiums on an individual basis; it may do so only on a class-wide basis.

All coverage terminates when a member:

- fails to pay insurance charges on time;
- ceases to be an AVMA or Student Chapter member;
- the Master Policy terminates.

New York Life has agreed not to exercise its right to terminate the Master policy as long as: (1) AVMA continues to sponsor only the New York Life Program and (2) participation in the plan exceeds 10,000 insured members.

All dependent coverage terminates (1) for a spouse upon divorce or termination of domestic partnership; (2) for a dependent child when he or she becomes self-supporting, marries or reaches age 23; (3) upon termination of a member coverage, unless the termination is due to the member's death. In this case, coverage may be continued for dependents while they remain eligible unless the spouse remarries.
You will receive a separate Certificate.

Each insured member will receive a Certificate of Insurance evidencing coverage which is provided under Group Policy Form GMR.

**Hospital Indemnity Monthly Rates**

Charges are based on member and spouse’s/domestic partner’s age at issue and increase on the November 1 that the insured enters a new age bracket. Members may request varying amounts of daily benefits for their dependents, but not more than member’s amount.

<table>
<thead>
<tr>
<th>Member’s Age</th>
<th>Member</th>
<th>Spouse/Domestic Partner</th>
<th>Children</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30</td>
<td>$1.70</td>
<td>$1.90</td>
<td>$2.05</td>
</tr>
<tr>
<td>30-39</td>
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<td>40-49</td>
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<tr>
<td>50-59</td>
<td>$4.90</td>
<td>$5.05</td>
<td>$2.05</td>
</tr>
<tr>
<td>60-64</td>
<td>$7.00</td>
<td>$6.25</td>
<td>$2.05</td>
</tr>
<tr>
<td>65-69</td>
<td>$10.15</td>
<td>$9.05</td>
<td>$2.05</td>
</tr>
<tr>
<td>70 + Over</td>
<td>$17.50</td>
<td>$15.55</td>
<td>$2.05</td>
</tr>
</tbody>
</table>

*New York Life has the right to change rates on a class-wide basis.*
How New York Life Underwrites Your Request for AVMA GHLIT Coverage

Information regarding insurability will be treated as confidential. In considering your request for insurance, we will rely on the medical information you provide, and on the information you authorize us to obtain from your doctor, other medical practitioners and facilities, other insurance companies to which you have applied for insurance and MIB, Inc. (Medical Information Bureau). New York Life will not disclose such information to anyone except those you authorize or where required or permitted by law. We may make a brief report to MIB; however, we will not disclose our underwriting decision.

Information in our files may be seen by New York Life and Plan Administrator employees, but only on a “need to know” basis in considering your request. Upon receipt of all requested information we will make a determination as to whether your request for coverage can be approved. MIB is a nonprofit, membership organization of life insurance companies that operates an information exchange on behalf of its members. When you apply for insurance or submit a claim for benefits to a MIB member company, medical or non-medical information may be given to the Bureau, which may then be furnished to member companies. If we cannot provide the coverage you requested, we will tell you why. If you feel our information is inaccurate, you will be given a chance to correct or complete the information in our files. Upon written request to New York Life or MIB, you will be provided with non-medical information, generally medical information will be given either directly to the proposed insured or to a medical professional designated by the proposed insured. Your request is handled in accordance with the Fair Credit Reporting Act Procedures. If you question the accuracy of the information provided by MIB, you may contact MIB and seek a correction. MIB’s information office is P.O. Box 105, Essex Station, Boston MA 02112. The U.S. and Canadian toll free number is 866-692-6901. The hearing impaired can reach M.I.B’s office by calling TTY 866-346-3642.

For Canadian residents, the address is 330 University Avenue, Suite 403, Toronto, Canada M5G IR7, telephone 416-597-0590.

For NM Residents, PROTECTED PERSONS (1) have a right of access to certain CONFIDENTIAL ABUSE INFORMATION (2) we maintain our files and they may choose to receive such information directly. You have the right to register as a PROTECTED PERSON by sending a signed request to the Administrator at the address listed on the application. Please include your full name, date of birth and address.

(1) PROTECTED PERSON means a victim of domestic abuse who has notified us that he/she is or has been a victim of domestic abuse; and who is an insured or prospective insured.

(2) CONFIDENTIAL ABUSE INFORMATION means information about: acts of domestic abuse of abuse status; the work or home address or telephone number of a victim of domestic abuse; or the status of an applicant or insured as family member, employer or associate of a victim of domestic abuse or a person with whom an applicant or insured is known to have a direct, close personal, family or abuse-related counseling relationship.

If we can provide the coverage you requested, we will inform you as to when such coverage will be effective. Under no circumstances will coverage be effective prior to this date. Payment of a premium contribution with your application does not mean that there is any insurance in force before the effective date as determined by New York Life.