

Peace of Mind *and*
Real Cash Benefits



GROUP HOSPITAL INDEMNITY

HI^G

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GROUP HOSPITAL INDEMNITY

Supplemental Hospital Indemnity
Policy Series AF8500NY

HI^G

Will your major medical insurance cover all of your bills?

Supplemental hospital indemnity insurance provides financial help to enhance your current coverage.

Your health insurance plan may pay only a portion of the total expenses a hospital stay or medical treatment requires. That likely would leave the rest of the bill for you to pay, plus any deductible or other expenses that are not covered by the plan. As a result, you could incur significant out-of-pocket expenses if you or a family member were hospitalized.

You don't want to be caught unprepared in a medical emergency and have to rely on your family's savings to cover the extra expenses you may face. This plan can help cover those expenses and protect your savings.



COVERAGE WORK SHEET

PAYROLL DEDUCTION

Deductions Begin:

Effective date:

Total Deduction:

This work sheet is for illustration purposes only. It does not imply coverage.

BENEFITS

HOSPITAL CONFINEMENT(UP TO 180 DAYS PER CONFINEMENT)

Plan 1 – \$160 per day, Plan 2 – \$160 per day, Plan 3 – \$160 per day, and Plan 4 – \$160 per day

This benefit is paid when a Covered Person is confined to a hospital as a resident bed patient because of a Covered Sickness or as the result of injuries received in a Covered Accident. To receive this benefit for Injuries received in a Covered Accident, the Covered Person must be confined to a hospital within six months of the date of the Covered Accident.

This benefit is payable for only one hospital confinement at a time even if caused by more than one Covered Accident, more than one Covered Sickness, or a Covered Accident and a Covered Sickness.

HOSPITAL ADMISSION

Plan 1 – \$250 per admission, Plan 2 – \$300 per admission, Plan 3 – \$325 per admission, and Plan 4 – \$325 per admission

The benefit is paid when a Covered Person is admitted to a hospital and confined as a resident bed patient because of Injuries received in a Covered Accident or because of a Covered Sickness. In order to receive this benefit for Injuries received in a Covered Accident, the Covered Person must be admitted to a hospital within six months of the date of the Covered Accident.

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 Covered Accident 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.

HOSPITAL INTENSIVE CARE (30 DAY MAXIMUM FOR ANY ONE PERIOD OF CONFINEMENT)

Plan 1 – \$150 per day, Plan 2 – \$200 per day, Plan 3 – \$250 per day, and Plan 4 – \$300 per day

This benefit is paid when a Covered Person is confined in a hospital intensive care unit because of a Covered Sickness or due to an Injury received from a Covered Accident. To receive this benefit for injuries received in a Covered Accident, the Covered Person must be admitted to a hospital intensive care unit within six months of the date of the Covered Accident.

We will pay benefits for only one confinement in a hospital intensive care unit at a time, even if it is caused by more than one Covered Accident, more than one Covered Sickness, or a Covered Accident and a Covered Sickness. If we pay benefits for confinement in a hospital intensive care unit and a Covered Person becomes confined to a hospital intensive care unit again within six months because of the same or related condition, we will treat this confinement as the same period of confinement.

HOSPITAL EMERGENCY ROOM/PHYSICIAN BENEFIT (MEDICAL FEES)

If an insured is injured in a Covered Accident or has treatment as the result of a Covered Sickness, he will receive the following:

Physician (per visit) – \$50

Laboratory fees (per visit) – \$25

X-ray (per visit) – \$50

Injections/medications (per visit) – \$25

Maximum \$250/ Insured per calendar year

Maximum \$1,000/Family per calendar year

Maximum \$50/per visit

WHAT IS NOT COVERED, LIMITATIONS AND EXCLUSIONS, AND TERMS YOU NEED TO KNOW

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

EXCLUSIONS

We will not pay benefits for loss caused by Pre-Existing Conditions (except as stated in the pre-existing condition limitation provision).

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

- War – participating in war or any act of war whether declared or not, or service in the armed forces or units auxiliary thereto. 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.
- Self-Inflicted Injuries – intentionally self-inflicted injury.
- Traveling – outside the United States, its possessions or the countries of Canada and Mexico.

- Aviation – other than as a fare-paying passenger on a scheduled or charter flight operated by a scheduled airline.
- Intoxication – being legally intoxicated, or being under the influence of any narcotic, unless administered on the advice of a Physician.
- Illegal Acts – participating in a felony, riot or insurrection; or being engaged in an illegal occupation.
- Services performed by a member of an Insured's Immediate Family.
- Dental care or Treatment, except for such care or treatment due to accidental injury to sound natural teeth within 12 months of the accident and except for dental care or treatment necessary due to congenital disease or anomaly.
- Cosmetic surgery or other elective procedures that are not medically necessary except that "cosmetic surgery" shall not include reconstructive surgery when such service is incidental to or follows surgery resulting from trauma, infection or other diseases of the involved

WHAT IS NOT COVERED, LIMITATIONS AND EXCLUSIONS, AND TERMS YOU NEED TO KNOW

part, and reconstructive surgery because of congenital disease or anomaly of a Covered Dependent Child which has resulted in a functional defect.

- Mental or emotional disorders without demonstrable organic disease.
- Alcoholism, drug addiction.
- Injury or sickness covered by workers' compensation.

PRE-EXISTING CONDITION LIMITATION

Pre-Existing Condition – Means within the 6-month period prior to the Effective Date of the certificate those conditions for which medical advice, diagnosis, care, 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.

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.

Spouse – Means Your legal spouse who is between the ages of 18 and 64. Whenever the term "spouse" or any other term that denotes the spousal relationship is used or defined, the same-sex spouse of a New York Employee who has entered into a marriage legally performed outside the state of New York, shall be included in such use or definition.

Dependent Children – Means Your natural children, stepchildren, or legally adopted children who are under age 26. Coverage provided under any Employee and Children or Family coverage will include any other Dependent Child, regardless of age, who is incapable of self-sustaining employment by reason of mental illness, developmental disability, mental retardation (as defined in the mental hygiene law) or physical handicap and who became so incapacitated prior to age 26. You must furnish proof of such incapacity and dependency to Aflac New York within 31 days of the Dependent Child's 26th birthday. You must furnish proof of continued incapacity and dependency at Aflac New York's request, but not more often than annually, after the two-year period following the Dependent Child's 26th birthday.

This term includes a Child who: 1. is the newborn Child of an Employee or Spouse; 2. is adopted by or placed for adoption (including any waiting period prior to the finalization of the Child's adoption) with, or is party in a suit of adoption by the covered Employee or Spouse; or 3. is required to be provided coverage by the covered Employee or his Spouse under the terms of a Qualified Medical Child Support Order (QMCSO). A QMCSO will also include a judgment, decree or order issued by a court of competent jurisdiction or through an administrative process established under, and having the force and effect of, state law and which satisfies the QMCSO requirements of ERISA (Section 609 a). Newborn Children are automatically covered from the moment of birth, and adopted Children are covered from the earlier of the date of petition or any waiting period prior to the finalization of adoption (except that newly born infants adopted by You are covered from the moment of birth if You take physical custody of the infant upon the infant's release from the Hospital and You file a petition of adoption within 30 days of birth) provided no notice of revocation to the adoption has been filed pursuant to section one hundred fifteen-b of the domestic relations law and consent to the adoption has not been revoked.

If Your Children are covered, Your Children born or placed in Your home after the Effective Date will also be covered from the moment of birth or placement. No notice or additional premium is required.

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 – means an illness, infection, disease or any other abnormal physical 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 6 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.

Hospital – Means a short-term, acute, general hospital which: 1. is primarily engaged in providing, by or under the continuous supervision of Physicians, to inpatients, diagnostic services and therapeutic services for diagnosis, Treatment and care of injured or sick persons; 2. has organized departments of medicine and major surgery; 3. has a requirement that every patient must be under the care of a Physician or dentist; 4. provides 24-hour nursing service by or under the supervision of a registered professional nurse (R.N.); 5. if located in New York State, has in effect a hospitalization review plan applicable to all patients which meets at least the standards set forth in section 1861(k) of United States Public Law 89-97, (42 USCA 1395x(k)); and 6. is duly licensed by the agency responsible for licensing such hospitals.

A hospital is not a place of rest; a place primarily for the treatment of tuberculosis; a place for the aged; a rest home or a home for the aged; a place for alcoholics or drug addicts; or a place for convalescent, custodial, educational, or rehabilitative care.

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 certificate.

Treatment – Means consultation, care or services provided by a Physician including diagnostic measures and taking prescribed drugs and medicines.

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; 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; on the premium due date which falls on or first follows your 65th birthday; or on the date you are no longer a member of an eligible class.

Insurance on an insured Spouse or Dependent Child will terminate the earliest of; the date the Plan is terminated; on 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; on the date Your Certificate is terminated; or the premium due date following the date We receive Your written request to terminate coverage for Your 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.

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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.

Underwritten by:

American Family Life Assurance Company of New York

Customer Service Center: Post Office Box 427 Columbia, South Carolina 29202

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 AF8500NY.