Basic

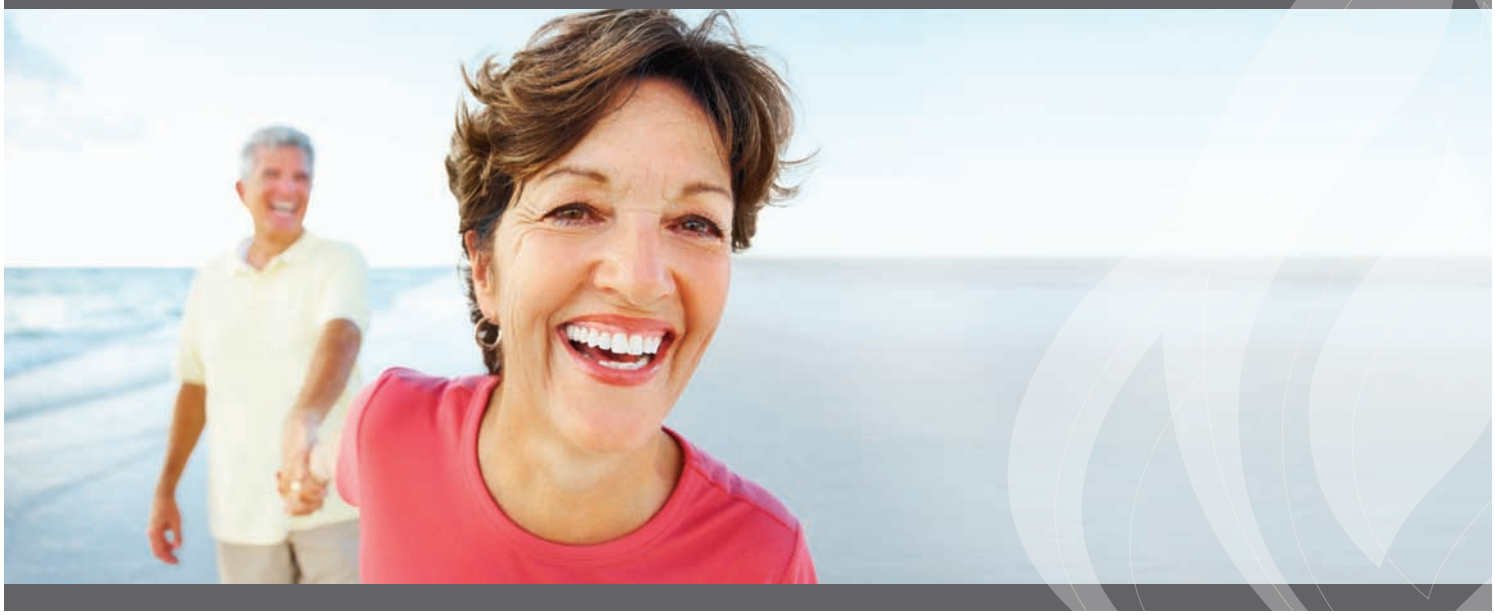
Fixed indemnity health insurance for individuals and families

Basic is a group association fixed indemnity health insurance plan underwritten by Madison National Life Insurance Company, Inc., a Wisconsin insurance company. Madison National is a member of The IHC Group. The IHC Group is an insurance organization composed of Independence Holding Company (NYSE: IHC) and its operating subsidiaries. The IHC Group has been providing life, health and stop-loss insurance solutions for nearly 30 years. For information on The IHC Group, see www.ihcgroup.com.

Plans are available to members of Communicating for America, Inc. (CA), the Policyholder of the "Group Fixed Indemnity Health Insurance Policy". Individual policies are issued in the states of Colorado, Montana, North Carolina and South Dakota so membership in CA is not required for these residents. Additional states are expected to follow. Please ask your broker or agent for details.

THE IHC GROUP
Independence Holding Company

MNL LBM 0312



The world of health insurance can appear complex and intimidating. Some people struggle to find an affordable plan or qualify for insurance. Basic is different.

Basic is a guaranteed issue medical plan that provides a simple, fixed benefit amount for covered services.

Consider these facts

- The estimated number of Americans with no health insurance coverage is 50.7 million.[1] A fixed benefit plan can help defray health care costs and, with the wellness care benefit, encourage a more proactive approach to health care.
- 12.7 percent of applicants up to age 64 were denied coverage in the individual market.[2]

[1] DeNavas-Walt, Carmen, and Proctor, Bernadette D., and Smith, Jessica C. "Income, Poverty and Health Insurance Coverage in the United States: 2009." US Census Bureau P60-238. (September 2010): 22. Print.

[2] "Individual Health Insurance 2009." AHIP Center for Policy and Research. (October 2009): 10. Print.

Review these features

- **Guaranteed issue**
  No medical exams or health history investigation at enrollment for eligible individuals
- **Valuable**
  Insurance benefits for everyday health care, as well as for the unexpected hospital confinement or surgery
- **Affordable**
  Choose one of three plans, all with fixed benefits that keep premiums low and stable
- **Portable**
  Since coverage is not purchased through an employer, a change in employment will not impact your Basic plan. Take your coverage with you!

Save with MultiPlan

The Basic plan pays fixed benefit amounts for medical expenses such as doctor office visits, hospital confinement or surgery. Any provider charges beyond the amount of the fixed benefit are your responsibility. However, Basic gives you access to provider discounts through the MultiPlan PPO network to lower your out-of-pocket costs.

MultiPlan is one of the country's largest independent PPO networks with more than 500,000 providers in 50 states. These providers have agreed to negotiated discounts, which are reflected in your final medical bill.

Using the MultiPlan network is simple

1. Present your Basic ID card to your provider at the time of your service.
2. The provider will electronically send the billing information to MultiPlan.
3. You will receive an explanation of benefits (EOB) that will show you:
   - The amount charged by the provider
   - The MultiPlan network discount if you visited a network provider
   - The amount paid by your Basic plan
   - The amount you owe the provider

You can get a list of participating providers in your area by visiting the MultiPlan website at www.multiplan.com or by calling MultiPlan's customer service department at 888-342-7427.

Basic is a fixed indemnity insurance plan that provides limited benefit coverage and may not be right for everyone. Plan premiums are affordable based on the limited nature of each benefit. It is very important you review the plan information carefully.

A fixed indemnity health insurance plan differs from comprehensive major medical insurance. Basic plans are not intended to replace major medical insurance. All Basic benefits are subject to the policy's pre-existing condition limitation for up to 12 months. Please see page 7 for a complete pre-existing condition definition and information about the exclusion.

Basic – Select the plan that's best for you

Covered services All benefits listed apply for each covered person per calendar year	The plan pays the following indemnity benefit amount:		
	Basic 1	Basic 2	Basic 3
Doctor office visit When you visit the doctor's office for a covered service, Basic will pay the selected plan's benefit amount up to the stated number of visits per calendar year.[1] Visits for preventive care are not covered under this benefit.	$50 per visit Maximum of 4 visits	$60 per visit Maximum of 4 visits	$70 per visit Maximum of 4 visits
Preventive care Coverage includes routine physicals, immunizations, cancer and vision screening services and well-child care for ages one and older. Basic will pay the selected plan's benefit amount for one visit per calendar year.	$50 per calendar year	$100 per calendar year	$200 per calendar year
Infant wellness Coverage includes routine health exams and immunizations as part of well-child care for dependent children under age one. Basic will pay the selected plan's benefit amount for up to four visits per calendar year.	$50 per visit Maximum of 4 visits	$50 per visit Maximum of 4 visits	$75 per visit Maximum of 4 visits
Outpatient diagnostic lab testing and X-ray When a diagnostic service, including but not limited to an X-ray, blood test or lab work, is performed as the result of a covered injury or illness, Basic will pay the selected plan's benefit amount per visit, up to the calendar-year maximum number of visits.	$50 per visit Maximum of 3 visits	$60 per visit Maximum of 4 visits	$70 per visit Maximum of 4 visits
Urgent care facility or hospital emergency room visit Coverage is available when treatment is provided on an emergency basis and the illness or injury does not immediately result in an inpatient confinement. Treatment must occur within 72 hours of the injury or when the illness first began. Basic will pay the selected plan's benefit amount for one visit per calendar year.	$50 per calendar year	$75 per calendar year	$100 per calendar year
Ambulance When a medical emergency requires ground or water ambulance transportation, Basic will pay the selected plan's benefit amount for one trip per calendar year.	$100 per calendar year	$200 per calendar year	$300 per calendar year
Hospital confinement – first day When admitted to a hospital on an inpatient basis this benefit is available for the first day a charge is made for room and board. Basic will pay the selected plan's benefit once per calendar year. *(This benefit is not payable if the covered person is a newborn child.)*	Not covered	$250 per calendar year	$500 per calendar year

[1] Coverage does not include services received for mental illness disorders, substance abuse or pregnancy.

Covered services All benefits listed apply for each covered person per calendar year	The plan pays the following indemnity benefit amount:		
	Basic 1	Basic 2	Basic 3
Hospital confinement – daily benefit Basic will pay the selected plan's benefit amount for each day a covered person is confined to the hospital due to a covered illness or injury up to the maximum benefit of 31 inpatient days per calendar year.[1]	$200 per day Maximum of 31 days	$400 per day Maximum of 31 days	$800 per day Maximum of 31 days
Specialized care unit When confined in an intensive care, cardiac care, burn or other specialized care unit, this benefit is paid in addition to the daily hospital confinement benefit up to 31 inpatient days per calendar year.	$400 per day Maximum of 31 days	$800 per day Maximum of 31 days	$1,600 per day Maximum of 31 days
Skilled nursing or hospice When following a period of hospital confinement of at least three consecutive days, a skilled nursing or hospice care benefit is available for up to 30 days per calendar year.	$100 per day Combined maximum of 30 days	$100 per day Combined maximum of 30 days	$100 per day Combined maximum of 30 days
Inpatient surgery If an inpatient surgery is required due to a covered illness or injury, Basic will pay the amount specified for one inpatient surgery per calendar year.[2]	$500 per calendar year	$1,500 per calendar year	$2,000 per calendar year
Outpatient surgery If an outpatient surgery is required due to a covered illness or injury, Basic will pay the amount specified for one outpatient surgery per calendar year.[2]	$250 per calendar year	$1,000 per calendar year	$1,500 per calendar year
Anesthesia When anesthesia is administered as part of a covered procedure, Basic will pay a benefit equal to 25 percent of the amount paid by the plan for the related inpatient or outpatient surgery. The anesthesia benefit is limited to the selected plan's combined maximum per calendar year.	25% of the surgery benefit Maximum of one inpatient and one outpatient surgery per calendar year	25% of the surgery benefit Maximum of one inpatient and one outpatient surgery per calendar year	25% of the surgery benefit Maximum of one inpatient and one outpatient surgery per calendar year
Outpatient physical therapy When physical therapy is ordered by a doctor, Basic will pay the selected plan's benefit amount up to a calendar-year maximum of 10 visits.[3]	$20 per visit Maximum of 10 visits	$25 per visit Maximum of 10 visits	$30 per visit Maximum of 10 visits
Outpatient prescription medication	Discount only		
Generic drugs	The discount is not an insurance benefit and is available at participating pharmacies.	The plan pays $4 per medication, maximum of 6 generic medications per covered person per calendar year	
Brand name drugs (formulary or non-formulary)		The plan pays $20 per medication, maximum of 6 brand name medications per covered person per calendar year	
Specialty drugs		The plan pays $50 per medication, maximum of 6 specialty medications per covered person per calendar year	

[1] Coverage does not include confinement due to mental illness or substance abuse.
[2] The surgery benefits do not include coverage for venipuncture or minor surgical procedures.
[3] Coverage does not include services received for occupational therapy or speech therapy.

Are you prepared to pay for day-to-day health care needs?

Review the following commonly asked questions to see if Basic is right for you.

Do I need to answer medical questions or go through an in-depth health history investigation?

No medical questions, exams or records are required for enrollment. Since the Basic plans are guaranteed issue for eligible individuals, your application and premium payment are all that is needed to begin coverage. Benefits are subject to the pre-existing condition limitation.

Are pre-existing conditions covered?

Pre-existing conditions, not otherwise excluded, are covered after the insured person has been continuously insured under the policy for 12 consecutive months. See the following page for full details about the pre-existing condition definition and limitations.

If I purchase Basic to supplement my high-deductible major medical plan, how will benefits be coordinated?

Your Basic plan will pay the maximum benefit amount regardless of whether or not payment was made by another medical insurance plan. If you currently have a qualified high-deductible health plan or a health savings account (HSA), you should check with your tax adviser before purchasing this plan.

Is there a waiting period before I am able to use the wellness benefits?

Wellness benefits are available from day one. There is no waiting period before the wellness calendar-year benefit can be accessed.

Can I pay premiums with a credit or debit card?

Yes, automatic monthly premium payments can be made through a credit card, debit card or bank draft.

Are there copay or deductible amounts that I will need to pay before the benefit is paid?

Benefits are “first-dollar,” which means that you will not be required to pay a copay or deductible prior to receiving benefits under this plan.

How do I pay for medical services or file a claim?

At the time of a visit, present your ID card to the provider. The back of your ID card has all the information your provider needs to verify insurance coverage and file claims. Your provider may require the full amount due at the time of service if you are filing your own claim. You or your provider should simply send an itemized statement, detailing your medical visit, to the claims address printed on the back of your ID card. Claim forms may be necessary for prescription drug benefits.

Important information

Pre-existing conditions definition and exclusion

All benefits, excluding wellness, are subject to a pre-existing condition limitation. A pre-existing condition is a disease, accidental bodily injury, illness or physical condition for which a covered person had treatment, incurred a charge, took medication or received a diagnosis or advice from a doctor during the 12 month period immediately preceding the covered person's coverage effective date. Benefits are payable for a pre-existing condition after the person has been continuously covered under the policy for 12 consecutive months. This does not apply to a newborn 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.

Communicating for America, Inc. (CA)

Communicating for America, Inc. (CA) was established 40 years ago to provide benefits and services to individuals, families and small businesses. CA's mission is to: promote the health, well being and the advancement of all self-employed Americans and small business owners; give members the right and opportunity to set policies and goals; and deliver valued member benefits at the best price and of the highest quality.

Communicating for America, Inc. is the Policyholder for the "Group Fixed Indemnity Health Insurance Policy." Therefore, Basic plans are available to members of CA. In the states of Colorado, Montana, North Carolina and South Dakota, individual policies are issued and residents are not required to be a member of CA. Additional individual states are expected to follow. Please contact your broker or agent for details.

Eligibility

Basic plans are available to dues paying members of Communicating for America, Inc. between the ages of 19 and 64 1/2. Eligible dependents include your lawful spouse and children under the age of 26.

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 group policy; the premium due date following the date a written request to terminate coverage is received; the date the premium is not paid; 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 group 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.

Exclusions and limitations

The following is a summary of the plan's exclusions. This is not a complete listing. Consult the Certificate of Insurance for a complete list and description of the benefits not covered.

No benefits will be payable as the result of:

- A pre-existing condition, as defined;
- Care that is not due to an illness or injury, recommended by a doctor, or medically necessary;
- Care for which no charge is made or if provided by a government-owned or -operated facility or by government-employed health care providers;
- Any intentionally self-inflicted injury or illness while sane, except this exclusion will not apply to any self-inflicted illness or injury that is the result of a medical condition;
- Participation in a riot or insurrection;
- An illness or injury resulting from a war or any act of war (declared or undeclared) or incurred while on active duty with the military of any country or international organization;
- Committing or attempting to commit a crime or felony, engaging in an illegal act; or an illness or injury incurred while imprisoned;
- Custodial care;
- Cosmetic or plastic surgery, and any care or treatment to improve the appearance or self-perception of a covered person which does not restore a bodily function or any complications resulting from any such procedure;
- Pregnancy and related services, except for complications of pregnancy;
- Voluntary abortion; sex changes; treatment to restore or enhance fertility or to reverse sterilization; impregnation techniques, such as artificial insemination or in vitro fertilization;
- Any illness or injury occurring as a result of being intoxicated or under the influence of an illegal drug;
- Experimental or investigational procedures, drugs or treatment methods;
- Treatment for obesity or weight reduction including all forms of surgery and complications resulting from such surgery;
- An illness or injury which arises out of or in the course of any employment for wage or profit or an illness or injury for which you or your covered dependent spouse has or had a right to recovery under any workers' compensation or occupational disease law. This exclusion does not apply to an employment related injury or illness if you or your covered dependent spouse is a sole proprietor, partner, or owner eligible under state law to legally elect to not be covered under workers' compensation and who is not insured under, and who does not have or had a right to recovery for such employment related injury or illness under any workers' compensation law or occupational disease law;
- Routine eye examinations, glasses, visual therapy, or contact lenses;
- Routine hearing exams, hearing aids or fittings or adjustment of hearing aids;
- Treatment, services or supplies related to the teeth, the gums (other than tumors), and any other associated structures; the prevention or correction of teeth irregularities and dental implants, regardless of the cause;
- An illness or injury 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;
- Mental illness disorders or substance abuse;
- Treatment, services or supplies to eliminate or reduce a dependency on or an addiction to tobacco, including nicotine withdrawal programs;
- Speech or occupational therapy;
- Venipuncture;
- Temporomandibular joint (TMJ) dysfunction; or
- Meridian therapy (acupuncture)

Important:
The information included in this brochure is an outline of features, plan provisions, benefits and other information about the Basic fixed indemnity insurance plan. Plans offered may be subject to change. This brochure is not intended to serve as legal interpretation of the benefits, which are provided under the Master Policy form number MNL MMFI POL D610 issued to Communicating for America, Inc. (CA) in the District of Columbia. The exact provisions governing the insurance contract are contained in the Master Policy underwritten by Madison National Life Insurance Company, Inc. And, as previously indicated, plans are available in Colorado, Montana, North Carolina and South Dakota on an individual basis only, with residents being issued separate policy forms and not being required to be members of CA. Additional states are expected to follow. Provisions, benefits, exclusions or limitations may vary depending on your state of residence. Certain terms and conditions apply. Any provision of this policy that is in conflict with any applicable federal or state law is hereby amended to meet the minimum requirements of such law. For complete details about the Basic plan, please refer to the health insurance Certificate of Insurance form number MNL MMFI CERT D610. If there is a discrepancy between the Master Policy and this brochure, the Master Policy prevails.