lifesecure™

Hospital Recovery Insurance

with Observation Coverage

Individual

LS-HR-I-0300 ST 06/19

Policy Form Series: LS-HR-0004

Affordable insurance to assist in your recovery.

Your medical plan provides benefits to help with medical costs resulting from an inpatient hospitalization or treatment in an observation unit. Once you leave the hospital, you shouldn't have to worry about financial setbacks that you didn't expect during your recovery. Things like lost wages plus the cost for help with transportation, meals, child care, or even housekeeping can all add up. Hospital Recovery Insurance provides cash benefits regardless of any other insurance you have.

By pairing it with your medical plan, you can extend your protection to help with those unexpected costs so you can focus on your recovery.

- In 2016, the average length of a hospital stay was 4.6 days[1]
- In 2016, the average cost of a hospital stay in the U.S. for adults 45-64 was $14,500[1]
- Your risk of being hospitalized almost doubles when you reach age 65[2]
- In 2018, 85% of covered workers faced a health insurance deductible, with average single deductibles more than doubling to $1,573 since 2008.[3]

The average length of a hospital stay has declined since 2000.[4]

A shorter hospital stay may mean additional out-of-pocket expenses before a patient reaches full recovery.

[1] *Agency for Healthcare Research and Quality, H-CUP Statistical Brief #246, December 2018*
[2] *National Center for Health Statistics. Health, United States, 2017: With Special Feature on Mortality. Hyattsville, MD. 2018*
[3] *The Kaiser Family Foundation and HRET, Employer Health Benefits Annual Survey, 2018*
[4] *OECD, Length of hospital stay (indicator), 2019*

How might you and your family use Hospital Recovery benefits? You decide.

Hospital Recovery benefits are paid directly to you following an inpatient hospital stay discharge or treatment in an observation unit. How you use your benefits is up to you! Examples include:

- Home care assistance
- Rehabilitative services
- Medical deductibles, co-pays or co-insurance
- Child care
- Housekeeping help
- Lost wages while away from work
- Transportation to/from appointments
- Yard work
- Anything else!

A Range of Benefits is Available.

Eligible Issue Ages: 18 through 85 (**In IL, MT, NM, OK & TX:** 18-74; **In NC:** 18-64). This policy is guaranteed renewable for life.

- For applicants ages 64.5 through 65.5 – no medical questions or build chart (**In NC:** age 64.5 until you turn 65)
- All other ages – simplified underwriting

Choose a Daily Benefit Amount

(any amount between **$100** and **$900**, in $10 increments)

The **Daily Benefit Amount** represents the amount payable to you for each day you or a covered family member is confined to a hospital as an inpatient – up to 35 days per calendar year, which includes up to 4 days for treatment in an observation unit. The Daily Benefit Amount is per covered family member.

The **Annual Benefit Bank*** is the total dollar amount available to you and your covered family members per calendar year, and is equal to your Daily Benefit Amount multiplied by 35. The Annual Benefit Bank Amount is per covered family member. On Jan. 1 of each year, the Annual Benefit Bank will replenish to its full amount.

* **In GA:** Maximum Annual Benefit Amount

For example, a $500 Daily Benefit Amount would give you and each covered family member Annual Benefit Banks of $17,500.

$500	X	35 Days	=	$17,500
Daily Benefit Amount		Maximum Days		Annual Benefit Bank

How is your Hospital Recovery Benefit Calculated?

LifeSecure will pay a benefit directly to you based on the number of days spent in the hospital.

Calculating your benefit payout is easy! Just multiply your Daily Benefit Amount by the number of days spent in the hospital.

Benefit Payout Examples

Example 1 – INPATIENT HOSPITALIZATION

Cindy selects a Daily Benefit Amount of **$500**, which gives her an Annual Benefit Bank of **$17,500**. She is later hospitalized for four days after back surgery. Upon discharge, Cindy's benefit payout will be **$2,000**.

$500	X	4 Days	=	$2,000
Daily Benefit Amount		# of Days in Hospital		Cindy's Hospital Recovery Benefit Payout

What is Cindy's remaining Benefit Bank balance?

$17,500	–	$2,000	=	$15,500
Annual Benefit Bank		Benefit Payout		Remaining Benefit Bank

Example 2 – TREATMENT IN AN OBSERVATION UNIT

Scott also selects a Daily Benefit Amount of **$500**. While hiking, he experiences a severe allergic reaction to a plant and is treated in the observation unit of a nearby hospital for two days. Scott's benefit payout will be **$1,000**.

$500	X	2 Days	=	$1,000
Daily Benefit Amount		# of Days in Observation Unit		Scott's Hospital Recovery Benefit Payout

What is Scott's remaining Benefit Bank balance?

$17,500	–	$1,000	=	$16,500
Annual Benefit Bank		Benefit Payout		Remaining Benefit Bank

Assuming both Cindy's and Scott's Hospital Recovery Insurance policies include coverage for their spouse and/or children, each covered family member would have their own Benefit Bank. Each person's Annual Benefit Bank will replenish to its full amount of $17,500 on Jan. 1 of each year.

Sample Monthly Premium Rates*

Hospital Recovery Plan Design – Example #1
Daily Benefit Amount: $100

Age	Self Only	with Spouse**	with Child(ren)	with Spouse** & Child(ren)
18-29	$11.74	$17.17	$20.30	$26.21
30-39	$12.87	$19.23	$21.65	$26.10
40-49	$14.71	$23.56	$21.69	$29.35
50-59	$16.71	$27.18	$22.03	$32.62
60-63	$18.30	$31.80	$22.31	$35.77
64-69	$20.00	$36.50	$23.43	$39.85
70-74	$25.45	$44.36	$28.98	$47.62
75-79	$29.41	$55.44	$32.85	$58.77
80-85	$36.08	$68.43	$39.66	$71.83

Hospital Recovery Plan Design – Example #2
Daily Benefit Amount: $500

Age	Self Only	with Spouse**	with Child(ren)	with Spouse** & Child(ren)
18-29	$20.12	$37.44	$45.65	$64.40
30-39	$25.31	$46.12	$53.22	$75.62
40-49	$34.89	$65.89	$59.32	$91.74
50-59	$45.48	$87.69	$66.20	$111.82
60-63	$60.40	$120.50	$76.05	$136.12
64-69	$75.50	$154.00	$90.57	$168.23
70-74	$98.41	$200.34	$112.86	$214.13
75-79	$124.54	$254.34	$139.34	$268.16
80-85	$155.14	$317.54	$170.46	$331.47

Hospital Recovery Plan Design – Example #3
Daily Benefit Amount: $900

Age	Self Only	with Spouse**	with Child(ren)	with Spouse** & Child(ren)
18-29	$32.15	$63.47	$77.65	$111.39
30-39	$41.32	$78.75	$91.05	$131.18
40-49	$62.21	$121.50	$108.62	$170.55
50-59	$79.08	$161.31	$119.96	$202.90
60-63	$106.30	$216.26	$134.58	$244.42
64-69	$134.50	$277.00	$162.03	$303.62
70-74	$175.70	$361.51	$201.68	$386.17
75-79	$223.19	$460.13	$249.77	$484.77
80-85	$278.86	$575.76	$306.32	$600.55

* *Premium rates shown are for illustrative purposes and vary in some states.*

** *Spouse means your lawfully married spouse, civil union partner, domestic partner or legal partner. Premiums shown above assume that the spouse is in the same age-band as the primary (self) applicant. (**In GA:** spouse means your lawfully married spouse; **In HI:** spouse definition also includes reciprocal beneficiary)*

Optional Benefit Riders

(Not available in Colorado and Kansas)

Optional Benefit riders offer additional protection against other expenses you might face.

You may add one or more of the benefits listed below to your Hospital Recovery Insurance policy for an additional premium. These benefits are payable in addition to the policy's Daily Benefit Amount and Annual Benefit Bank.

Rehabilitation Facility Benefit

$100 Benefit Payout* for each day in a rehabilitation facility, immediately following a qualified hospital stay (up to 15 days per calendar year).

Emergency Room & Ambulance Benefit

Emergency Room visit (one per calendar year): $300 Benefit Payout*

Ambulance Services (one per calendar year)

- Ground transportation: $150 Benefit Payout*
  or
- Air transportation: $500 Benefit Payout*

Major Diagnostic Exam Benefit**

$500 Benefit Payout* for a major diagnostic exam *(one per calendar year):*

- Computerized Tomography (CT);
- Magnetic Resonance Imaging (MRI); or
- Electroencephalogram (EEG)

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* *Available per covered family member*

** *Not available in Connecticut*

Talk to your agent today,
or visit YourLifeSecure.com for more information.

Limitations or Conditions on Eligibility For Benefits***

Pre-Existing Condition Limitation: Care or treatment caused by a Pre-Existing Condition that occurred within 12 months prior to the policy effective date will not be covered unless it begins more than 6 months after the Policy effective date. If coverage for a Spouse or Dependent Child is added to this Policy after the Policy Effective Date, a Pre-Existing Condition for that person will not be covered unless care or treatment begins more than 6 months after the Coverage Change Effective Date. (**In WY:** Care or treatment caused by a Pre-Existing Condition that occurred within 6 months prior to the policy effective date will not be covered unless it begins more than 6 months after the Policy effective date).

Exclusions: We will not pay benefits for Injuries received in accidents or for Sicknesses which are caused, directly or indirectly by, or a result of: operating, learning to operate, or serving as a crew member of any aircraft; or engaging in hang gliding, hot air ballooning, bungee jumping, parachuting, scuba diving, sail gliding, parasailing or any similar activities; or riding in or driving any motor-driven vehicle in a race, stunt show or speed test; or officiating, coaching, practicing for or participating in any semi-professional or professional competitive athletic contest for which any type of compensation or remuneration is received; or an illness, treatment or medical condition that is due to war or act of war which is not an act of terrorism, whether declared or undeclared, while serving in the armed forces or any auxiliary unit; or voluntarily participating in or attempting to participate in an illegal activity that is classified as a felony, whether charged or not (the term felony is as defined by the law of the jurisdiction in which the activity takes place); or dental treatment or plastic surgery for cosmetic purposes (this exclusion does not apply if the treatment or surgery is (a) due to an Injury; or (b) to restore normal bodily functions); or elective surgery that is not medically necessary; or an illness, treatment or medical condition that results from an attempt at suicide, while sane or insane, or an intentionally self-inflicted injury or being intoxicated or under the influence of alcohol, drugs or any narcotic unless administered on the advice and instructions of a physician or other medical professional.

No benefits will be payable under this Policy for expenses or treatment of: a mental or nervous disorder or disease; or alcoholism or drug addiction; a normal pregnancy, except for Complications of Pregnancy (**In KS & MT:** Normal pregnancy not excluded); or care or services provided outside the United States of America, its territories or possessions, or Canada.

**** The Limitations or Conditions on Eligibility for Benefits shown above may vary by state. The actual Limitations or Conditions on Eligibility for Benefits applicable to your policy will depend on the state in which your coverage is issued.*

THIS IS A LIMITED BENEFIT POLICY.

For more information,
contact your agent or visit us at YourLifeSecure.com.

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