



CERTIFICATE OF INSURANCE

The following states the name of the insured employee, whether dependent coverage is provided, the employee's original effective date, the date of the most recent change, and the types of insurance in effect for the insured.

YOUR PREFERRED PROVIDER PLAN

THERE MAY BE BENEFITS DESCRIBED IN THIS PLAN THAT ARE NOT INCLUDED IN YOUR PLAN. YOU ARE ONLY INSURED FOR THOSE INSURANCE BENEFITS CHOSEN BY YOUR EMPLOYER. THE SCHEDULE OF BENEFITS LISTS THE BENEFITS THAT YOUR EMPLOYER CHOSE TO OFFER YOU. YOUR CERTIFICATE OF INSURANCE LISTS THE BENEFITS THAT YOU ARE INSURED FOR. ANY BENEFITS OR PROVISIONS SHOWN TO BE "EXCLUDED" ON THE SCHEDULE OF BENEFITS OR YOUR CERTIFICATE OF INSURANCE ARE NOT PART OF YOUR PLAN AND DO NOT APPLY TO YOU.

This certificate booklet summarizes the group insurance benefits of the policy. It outlines what you must do to be insured. It explains how to file claims. It is your certificate while you are insured.

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DEFINITIONS

ALLOWABLE EXPENSE

Any medically necessary, regular, reasonable & customary item of expense of health care, when the item is covered at least in part by one of the group-type plans. The difference between the cost of a private hospital room and a semiprivate hospital room is only considered an allowable expense when the patient's stay in a private room is certified as medically necessary by the patient's physician, or when the hospital lacks an available semiprivate hospital room for the patient.

APPROVED TRANSPLANT SERVICES

Means services and supplies for organ transplants when provided at or arranged by a designated transplant facility. Such services include, but are not limited to, hospital charges, physician charges, organ procurement and tissue typing, and ancillary services related to the organ transplant.

CALENDAR YEAR

January 1 through December 31.

CERTIFICATE OF INSURANCE

A list which states the benefits an insured employee is insured for under this policy.

CHILD, CHILDREN

1. The insured employee or insured employee's spouse's:
 - a. natural born child;
 - b. legally adopted child who is in the custody of the insured pursuant to an interim court order of adoption vesting temporary care of the child to the insured;
 - c. step child; or
 - d. any other child that has been declared the legal responsibility of the insured employee or insured employee's spouse.
2. The child must be unmarried, depend on the insured for full maintenance and support, not be eligible for group insurance as an employee, and be:
 - a. under 19 years of age; or
 - b. age 19 to 25, and a student in classroom attendance at an accredited secondary school, college, or university, on a full-time basis as defined by the institution. A dependent child will be considered an eligible child between school terms for up to four months, if enrolled as a full-time student for the following school term. This four months will not apply to dependent children who graduate. A dependent child who, under orders of a physician, drops below full-time during a school term as a result of an illness or injury, will be considered an eligible child through the end of the current school term, i.e. semester or quarter. Other dependent children who drop below full-time will no longer be considered an eligible child as of the date the child drops below full-time.
 - c. incapable of self-sustaining support because of a handicapped condition. The child must have become incapable before he/she became 19 years of age.

CLEAN CLAIM

Means a claim containing all information needed to make a determination as to any benefits due.

COINSURANCE

Means the designated percentage that we will pay per insured per calendar year in excess of any applicable deductibles for covered expense. The coinsurance percentage for different types of services is shown on the Schedule of Benefits.

COMPLICATIONS OF PREGNANCY

Pregnancy complicated by concurrent disease or abnormal conditions significantly affecting usual medical management, such as, but not limited to:

1. extra-uterine pregnancy;
2. severe toxemic disorders;
3. severe puerperal sepsis;
4. spontaneous miscarriage;
5. severe hemorrhage;
6. any complications of pregnancy requiring delivery by cesarean section.

Complication of pregnancy does not include:

1. false labor;
2. occasional spotting;
3. physician prescribed rest;
4. morning sickness;
5. induced abortion;
6. elective cesarean section;
7. maternal age;
8. repeat cesarean section, unless necessary because of existing medical complications.

COVERED EXPENSES

The medically necessary, regular, reasonable & customary charges for medical services and supplies that are incurred:

1. by an insured while this policy is in force; and
2. before this insurance ends; and
3. for the treatment of an illness or injury.

CUSTODIAL CARE

Care which is primarily for the purpose of meeting personal needs. It can be provided by persons without professional skills or training. Examples are help in walking, getting in and out of bed, bathing, eating, dressing, taking medicine. Custodial care also includes supervision of the patient for safety reasons.

DENTAL

Any care or treatment or surgery relating to the teeth or gums, including but not limited to preventative dental care, extractions, restorations, endodontics, periodontics, prosthodontics, oral surgery for any condition which is caused by or related to a problem of the teeth, or any appliances which rest upon or are attached to the teeth. For the purposes of this policy, all care, surgery, or treatment of this type will be considered dental treatment or surgery, regardless of the origin of the condition which caused the treatment or surgery.

DEPENDENT

The spouse and the child or children of the employee, who are not themselves insured as employees under the policy.

DESIGNATED TRANSPLANT FACILITY

Means a facility which has entered into an agreement through a national organ transplant network to render approved transplant services to our insureds. The designated transplant facility may or may not be located within the insured's geographic area. A list of designated transplant facilities is available from us.

DURABLE MEDICAL EQUIPMENT

Durable medical equipment is medical equipment:

1. which is preauthorized by us;
2. is used repeatedly;
3. serves a medical purpose;
4. would not be useful to a person without an injury or illness; and
5. is appropriate for treating an illness or injury in the home.

It includes blood glucose monitors, blood glucose monitors for the legally blind, cartridges for the legally blind, lancets, and lancing devices.

The following items are not considered durable medical equipment, and are not covered under this policy:

1. air purifiers or cleaners, air conditioners, humidifiers, dehumidifiers, vaporizers, or heaters;
2. any equipment which provides comfort or convenience;
3. structure or vehicle alterations, ramps, or elevators;
4. whirlpools, exercise machines of any type, swimming pools, hot tubs;
5. computers or communication devices;
6. heating pads, heat lamps, duplicate equipment; or
7. similar types of items or equipment.

EFFECTIVE DATE

The date this policy is put in force or the date the insured is added to this policy.

ELIGIBLE

Meets the qualifications to apply for insurance.

EMERGENCY CARE

Means covered expense for services for treatment of an injury or emergency medical condition that reasonably requires the insured to seek immediate medical care, under circumstances, or at locations which preclude the insured from obtaining needed medical care from a Preferred Provider.

It does not mean covered expense for services provided by a non-preferred provider once a referral can be made to safely transfer the patient to the care of a preferred provider.

EMERGENCY SERVICES

Means those medical and health services provided to treat a medical condition manifesting itself by acute symptoms of sufficient severity (including, but not limited to, severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in:

1. placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy; or
2. serious impairment to bodily functions; or
3. serious dysfunction of any bodily organ or part.

EMPLOYEE

A person employed by the Policyholder on a permanent full-time basis. He/she must meet the qualifications described in the Policyholder's Policy Schedule. It does not mean temporary, part-time, or seasonal employees.

ENROLLMENT DATE

The earlier of the date of enrollment of the individual in the policy, or the first day of the waiting period for enrollment.

EQUIVALENT GENERIC DRUG

Means a drug that our discount drug card company has classified as safe, equivalent to, and as effective as the brand name drug that would otherwise be prescribed.

EXPERIMENTAL/INVESTIGATIONAL

Means any service, supply, or treatment that is not commonly and customarily recognized by the physician's profession and within the United States as appropriate treatment of the patient's diagnosed illness or injury and determined to be of proven effectiveness by the appropriate National Scientific Organization related to the diagnosed illness or injury.

A medical treatment, procedure, drug or device that is approved through clinical trials will be considered experimental or investigational if reliable evidence shows it is the subject of ongoing phase I, II, or III clinical trials or understudy to determine its safety, efficacy, or its efficacy as compared with the standard means of treatment or diagnosis, and reliable evidence shows that the consensus of opinion among experts is that further studies or clinical trials are necessary to determine its safety, efficacy or efficacy as compared with the standard means of treatment or diagnosis, and approval has not been given by the United States Food and Drug Administration at the time it is furnished.

EVIDENCE OF INSURABILITY

Evidence of good health acceptable to us.

FAMILY COVERAGE

Means, the insured employee and/or spouse and/or children of the insured employee, who are insured as a family unit under the insured employee's certificate number.

FAMILY STATUS CHANGE

A marriage, a birth, an adoption, or a child being placed for adoption.

FORMER POLICY

The Policyholder's terminated group health policy that was replaced by this policy.

GROUP HEALTH PLAN

An employee welfare benefit plan that provides medical care to employees or their dependents directly or through insurance, reimbursement, or otherwise.

GROUP-TYPE PLAN

1. Group or blanket insurance coverage;
2. Prepayment plans (including Blue Cross-Blue Shield plans);
3. Union welfare plans;
4. Plans growing out of an employee-employer relationship;
5. Any statutory plans;
6. The medical benefits coverage in group automobile contracts, in group or individual automobile "no-fault" contracts, and in traditional automobile "fault" type contracts.

HEALTH INSURANCE COVERAGE

Benefits consisting of medical care under any hospital or medical service policy or certificate, hospital or medical service plan contract, or health maintenance organization contract offered by a health insurance issuer.

HOME HEALTH CARE

Care and treatment of an insured under a plan of care established by his/her physician. The plan must be submitted to us in writing, and be pre approved by us. The plan of care must be reviewed at least every two months by your physician.

It consists of the medically necessary services for:

1. part-time or intermittent home nursing care by or under the supervision of a registered nurse (R.N.).
2. part-time or intermittent home health aide services, which solely consist of caring for the patient, and which are provided under the supervision of a R.N. or medical social worker.
3. physical, respiratory, occupational or speech therapy.
4. nutrition counseling provided by or under the supervision of a registered dietitian.
5. evaluation and development of a home health plan by a R.N., physician extender or medical social worker, when approved or requested by the primary care physician.

The home health care services must be provided or coordinated by a state-licensed or Medicare-certified home health agency or rehabilitation agency.

Up to 4 consecutive hours of care will be considered one home health care visit.

HOSPICE

An agency that provides a coordinated program of home and inpatient care for the special physical, psychological, and social needs of terminally ill persons and their families. The hospice agency must:

1. be certified or licensed as a hospice by the state in which they are operating;
2. operate under the direct supervision of a physician;
3. provide services 24 hours a day, seven days a week; and
4. maintain medical records on each patient.

HOSPICE CARE

Care and treatment provided by a hospice for a terminally ill person and the immediate family members of the person if they are covered under this policy.

HOSPITAL

Means a place which:

1. is legally operated for the inpatient care and treatment of ill or injured persons;
2. has surgical or diagnostic facilities on the premises or in facilities available to it;
3. has continuous 24 hour nursing services; and
4. has a staff of one or more physicians available at all times.

It does not mean:

1. a rest, nursing, or convalescent home;
2. a facility or institution mainly for the treatment of alcoholics or drug addicts; or
3. a facility primarily affording custodial or educational care for persons suffering from mental diseases or disorders; or
4. a free-standing ambulatory surgical facility that arranges for overnight stays within the facility.

ILLNESS

A disease process that causes the abnormal function of:

1. an organ;
2. a system of the body; or
3. the whole body.

It must be caused by:

1. a pathogenic change; or
2. a psychological disturbance.

It is also a pregnancy or complication of pregnancy. It is also a mental illness/nervous disorder.

IMMEDIATE FAMILY

The insured's spouse, children, parents, brothers and sisters.

INDIVIDUAL COVERAGE

Means that only a single person is covered for health insurance benefits under the insured's certificate.

INJURY

Bodily injury caused by an accident which occurs while insured under this policy.

INFERTILITY

The inability to conceive after one year of unprotected sexual intercourse or the inability to sustain a successful pregnancy.

IN-NETWORK

Means covered expense provided by a preferred provider.

IN-NETWORK FAMILY COVERAGE COINSURANCE SHARE

The amount of covered expense that insureds with family coverage must pay for services provided by a preferred provider, after we have paid the coinsurance amount. In-Network family coverage coinsurance share does not include:

1. any deductible amounts;
2. expense an insured would pay because of our payment of 50% benefit under any "Limitations to Health Benefits Provided by This Policy";
3. any penalty for noncompliance with plan requirements;
4. any out of network coinsurance share; or
5. expense an insured would pay as a result of an organ transplant at a non-designated transplant facility.

The In-Network family coverage coinsurance share for a calendar year is shown on the Schedule of Benefits.

IN-NETWORK INDIVIDUAL COVERAGE COINSURANCE SHARE

The amount of covered expense that an insured with individual coverage must pay for services provided by a preferred provider, after we have paid the coinsurance amount. In-Network individual coinsurance share does not include:

1. any deductible amounts;
2. expense an insured would pay because of our payment of 50% benefit under any "Limitations to Health Benefits Provided by This Policy";
3. any penalty for noncompliance with plan requirements;
4. any out of network coinsurance share; or
5. expense an insured would pay as a result of an organ transplant at a non-designated transplant facility.

The In-Network Individual Coverage Coinsurance Share for a calendar year is shown on the Schedule of Benefits.

IN-NETWORK INDIVIDUAL COVERAGE DEDUCTIBLE

The amount of covered expense for services provided by a preferred provider that must be incurred in a calendar year by an insured with individual coverage before any covered expense is paid by us. It is equal to the amount specified under the In-Network Individual Coverage Deductible amount shown on the Schedule of Benefits. Out of Network Deductible amounts will not be used to satisfy any In-Network Deductible amount.

IN-NETWORK FAMILY COVERAGE DEDUCTIBLE

The amount of deductible insureds with family coverage must pay in a calendar year for services provided by preferred providers. This amount is shown on the Schedule of Benefits. The In-Network Family Coverage Deductible must be satisfied by combining all in-network amounts applied to deductibles for the insured employee and the insured employee's dependents for the calendar year. Out of network deductible amounts will not be used to satisfy any In-Network deductible amounts.

INPATIENT

Means a confinement in a hospital that results in the hospital making a room and board charge. An overnight stay in an observation unit of a hospital or licensed ambulatory surgical facility will be considered an inpatient stay for pre-certification purposes.

INSURED

Means any insured employee or insured dependent who is covered for benefits under this policy.

INTENSIVE CARE

Means a separate area in a hospital for the inpatient care of patients who are critically ill, which:

1. provides constant nursing care which is not usual in other rooms and wards;
2. has special lifesaving equipment which is immediately available at all times; and
3. has at least one R.N. on duty at all times.

LATE ENROLLEE

Means an eligible employee or dependent who applies more than 30 days after:

1. the date he/she became eligible under this policy; or
2. a special enrollment period.

MAXIMUM BENEFIT

The maximum amount of benefit that will be paid for all covered expense for each insured while he/she is insured under this policy. It is shown on the Schedule of Benefits.

On January 1 of each year, each insured person who has benefits charged to his/her maximum benefit will automatically have an amount reinstated for future use. The amount to be reinstated each year will be \$1000.00 or the amount the insured has received in benefit during the preceding calendar year, whichever is less.

If the insured employee's insurance terminates solely because his/her maximum benefit is exhausted, his/her insurance will be considered to continue in order to determine if his/her dependents are eligible for this policy.

MEDICALLY NECESSARY

Means treatment that:

1. is not experimental/investigational in nature;
2. is not done mainly as a convenience to the patient or provider;
3. is commonly accepted as proper care or treatment of the condition by the American medical community;
4. is performed solely for the benefit of the patient; and
5. meets professionally recognized national standards of quality.

MEDICARE

Title XVIII of the Social Security Act as amended.

MENTAL ILLNESS/NERVOUS DISORDER

Includes:

1. neuroses, psycho neuroses, psychopathy, psychosis or other emotional disorder;
2. affective disorders (including bipolar disorder and major depression);
3. Tourette's disorder;
4. attention deficit disorder;
5. conduct disorder;
6. adjustment disorder;

7. biologically based mental illness, including schizophrenia, paranoid and other psychotic disorders, bipolar disorders, major depressive disorders (single episode or recurrent), schizoaffective disorders (bipolar or depressive), pervasive developmental disorders, obsessive-compulsive disorders, depression in childhood and adolescence, panic disorder; and
8. pervasive developmental disorders and autistic disorders;
9. similar conditions or illnesses.

MINOR

A person who is under the legal age of competence.

NEWBORN CHILD

A dependent child born to the employee while he/she is insured under this policy.

NEW ENROLLEE

Means an eligible employee or dependent who applies for insurance within 30 days of his/her date of eligibility under this policy.

NON-DESIGNATED TRANSPLANT FACILITY

Means a facility that has not entered into a specific national organ transplant network agreement that we designate to provide Approved Transplant Services for our insureds.

NON-PREFERRED PROVIDER

Means any medical provider who has not entered into a written agreement with us or a Preferred Provider Organization under contract with us to provide services to our insureds at a negotiated rate. However, if the nearest Preferred Provider is more than 50 miles from the insured's residence, then a non-preferred provider within 50 miles of the insured's residence will be paid as if the service was provided by a preferred provider.

NURSING FACILITY

Means a legally operated institution or a part of an institution for the treatment of inpatients. Treatment must be under the supervision of a Physician. It must provide 24 hour nursing service under the supervision of a R.N. It must maintain daily medical records of each patient. This definition does not include:

1. a rest home or home for the aged;
2. an institution, nor a unit of an institution, used for custodial or educational care;
3. an institution, nor a unit of an institution, used for the treatment of alcoholics, drug addicts, or the mentally ill.

OUT OF NETWORK

Means covered expense provided by a non-preferred provider.

OUT OF NETWORK FAMILY COVERAGE COINSURANCE SHARE

The amount of covered expense that insureds with family coverage must pay for services provided by a non-preferred provider, after we have paid the coinsurance amount. Out of Network family coverage coinsurance share does not include:

1. any deductible amounts;
2. expense an insured would pay because of our payment of 50% benefit under any "Limitations to Health Benefits Provided by This Policy";
3. any penalty for noncompliance with plan requirements;
4. any In-Network coinsurance share; or
5. expense an insured would pay as a result of an organ transplant at a non-designated transplant facility.

The Out of Network Family Coverage Coinsurance Share is shown on the Schedule of Benefits.

OUT OF NETWORK FAMILY COVERAGE DEDUCTIBLE

The amount of deductible insureds with family coverage must pay in a calendar year for services provided by a non-preferred provider. This amount is shown on the Schedule of Benefits. The Out of Network Family Coverage Deductible must be satisfied by combining all out of network amounts applied to deductibles for the insured employee and the insured employee's dependents for the calendar year. In network deductible amounts will not be used to satisfy the Out of Network deductible amounts.

OUT OF NETWORK INDIVIDUAL COVERAGE COINSURANCE SHARE

The amount of covered expense that an insured with individual coverage must pay for services provided by a non-preferred provider after we have paid the coinsurance amount. Out of network individual coverage coinsurance share does not include:

1. any deductible amounts;
2. expense an insured would pay because of our payment of 50% benefit under any "Limitations to Health Benefits Provided by This Policy";
3. any penalty for noncompliance with plan requirements;
4. any In-Network coinsurance share; or
5. expense an insured would pay as a result of an organ transplant at a non-designated transplant facility.

The Out of Network Individual Coverage Coinsurance Share is shown on the Schedule of Benefits.

OUT OF NETWORK INDIVIDUAL COVERAGE DEDUCTIBLE

The amount of covered expense for services provided by a non-preferred provider that must be incurred in a calendar year by an insured with individual coverage before any covered expense is paid by us. It is equal to the amount specified under the Out of Network Individual coverage deductible amount shown on the Schedule of Benefits.

In-Network deductible amounts will not be used to satisfy the Out of Network deductible amounts.

PHYSICIAN

Means a practitioner of the healing arts, licensed by the state he/she practices in. He/she must be performing only those services he/she is licensed to perform.

POLICYHOLDER

The employer listed as the policyholder on the face page of the policy.

PREFERRED PROVIDER

Means a medical provider who has entered into a written agreement to provide services to our insureds at a negotiated rate through a direct contract with Us, or through a Preferred Provider Organization under contract with Us. We recommend that you verify with Us that the provider you are using or considering is currently a preferred provider.

PROOF OF INCAPACITY

Medical proof that a dependent child is incapable of self-support, and solely dependent on the insured for maintenance and support due to mental retardation or physical handicap.

PROOF OF LOSS

Consists of:

1. a properly completed claim form; and
2. any other information we need to process the claim.

QUALIFYING CREDITABLE COVERAGE

Coverage by an individual under:

1. A group health plan.
2. Health insurance coverage.
3. Part A or Part B Medicare pursuant to Title XVIII of the federal Social Security Act.
4. Medicaid pursuant to Title XIX of the federal Social Security Act, other than coverage consisting solely of benefits under Section 1928 of that Act.
5. 10 U.S.C. ch. 55.
6. A health or medical care program provided through the Indian Health Service or a tribal organization.
7. A state health benefits risk pool.
8. A health plan offered under 5 U.S.C. ch. 89.
9. A public health plan as defined under federal regulations.
10. A health benefit plan under Section 5(e) of the Peace Corps Act, 22 U.S.C. 2504(e).
11. An organized delivery system licensed by the director of public health.
12. A short-term limited durational policy.

Days of creditable coverage that occur before a significant break in coverage will not be counted as qualifying creditable coverage.

Days in a waiting period are not counted as creditable coverage.

REGULAR, REASONABLE & CUSTOMARY

The lessor of:

1. the actual charge;
2. what the provider would accept for the same service or supply in the absence of insurance;
3. the reasonable charge as determined by Pekin Life Insurance Company, based upon the Regular, Reasonable & Customary percentile level purchased by the Policyholder and/or factors deemed appropriate by Pekin Life Insurance Company;
4. the amount the provider has agreed to charge under a preferred provider agreement with Pekin Life Insurance Company.

Reasonable and customary for surgery will be determined as follows:

1. for multiple surgical procedures performed at the same operative session, we will allow up to 100% of the regular, reasonable and customary amount for the first surgical procedure, 50% of the regular, reasonable and customary amount for the second surgical procedure, and 25% of the regular, reasonable and customary amount for each additional surgical procedure;
2. for charges by an assistant surgeon, we will allow up to 20% of the amount allowed for the primary surgical procedure when an assistant is deemed medically necessary.

SALARY

The basic salary of the insured employee. It does not include commission, overtime or bonuses.

SCHEDULE OF BENEFITS

A list which states those benefits the Policyholder has decided to offer to his/her insured employees.

SIGNIFICANT BREAK IN COVERAGE

A period of 63 consecutive days during all of which an individual did not have any qualifying creditable coverage. Waiting periods are not taken into account in determining if a significant break in coverage has occurred.

SPOUSE

Wife or husband.

TERMINALLY ILL PERSON

A person who has been diagnosed by a physician as having a life expectancy of six months or less.

TOTAL DISABILITY

Continuous inability to perform any and all duties of the insured's job.

TREATMENT

Means:

1. any examination, diagnostic test, or actual treatment by a physician of an illness or injury or symptoms of an illness or injury; or
2. any medication or other service or supply dispensed in regard to an illness or injury or symptoms of an illness or injury.

WE, US

Pekin Life Insurance Company

WELL-CHILD CARE

Means pediatric preventive services appropriate to the age of a child from birth to age seven as defined by current Recommendations for Preventive Pediatric Health Care of the American Academy of Pediatrics. Pediatric preventive services shall include a history and complete physical examination as well as developmental assessment, anticipatory guidance, immunizations, vision and hearing screening, and laboratory services including, but not limited to, screening for lead exposure as well as blood levels.

YOU, YOUR

An insured employee or insured dependent.

DATES OF ELIGIBILITY FOR THIS INSURANCE

Only eligible employees and dependents are entitled to the insurance provided by this policy.

A person who is an employee will be eligible for insurance after he/she has satisfied any waiting period specified on the Policyholder's Policy Schedule. His/her dependents will be eligible on that date also.

An employee is considered as having eligible dependents on the date:

1. he/she is legally married; or
2. when his/her first child is born if he/she is unmarried; or
3. the court orders coverage be provided under this policy for a spouse, minor, or dependent.

EFFECTIVE DATE OF INSURANCE

To have the insurance provided by this policy, all eligible employees and dependents must apply by submitting an application completed in writing. The insurance becomes effective as follows:

1. NEW ENROLLEES

- a. If an employee applies on or before the date he/she is eligible, the employee will become insured on the date that he/she is eligible. If the employee applies for his/her dependents on or before the date they are eligible, they will become insured on the date they are eligible.
- b. If an employee applies within 30 days after the date he/she is eligible, the employee will become insured on the premium due date following the date he/she applies. If an employee applies for his/her dependents within 30 days after the date they are eligible, they will become insured on the premium due date following the date the employee applies.

2. LATE ENROLLEES

A late enrollee will become insured on the January 1st, following the date he/she applies. He/she should apply during November of the year prior to the January 1st he/she wants to become insured.

3. NEWBORN CHILDREN

A newborn child will be insured from birth, if:

- a. all other eligible children of the insured employee are insured under the employee's certificate under this policy at the time of the newborn's birth; or
- b. the insured applies for coverage and pays any premium due within 60 days after the newborn's birth.

A well newborn's initial confinement will only be considered covered expense if we are paying benefit for the pregnancy under the optional benefit titled "Pregnancy Like Any Other Illness".

The coverage shall consist of coverage for injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities and is not subject to any preexisting condition exclusion.

4. ADOPTED CHILDREN

An adopted child will be insured under this policy from the earliest of the following dates:

- a. the date of placement of the child for the purpose of adoption;
- b. the date of entry of an order granting the insured custody of the child for purposes of adoption; or
- c. the effective date of adoption;

but only if

- a. all other eligible children of the insured employee are insured under the employee's certificate under this policy at the time the adopted child is first eligible to be insured under this policy; or
- b. the insured applies for coverage and pays any premium due within 60 days after the adopted child is first eligible to be insured under this policy.

The coverage shall consist of coverage for injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities and is not subject to any preexisting condition exclusion.

5. SPECIAL ENROLLMENT PERIOD

A. For Persons Who Previously Declined Coverage

A person who previously declined coverage in writing because they were covered under another group health plan or health insurance coverage may have a 30 day special enrollment period if they lose that coverage.

The 30 day special enrollment period will begin for that person on:

1. the day the person loses his/her coverage under another group health plan or health insurance coverage because of:
 - a. a reduction in the number of hours of employment;
 - b. termination of employment;
 - c. termination of employer contributions;
 - d. the COBRA continuation provision that they were covered under is exhausted under the other group health plan or health insurance coverage; or
 - e. legal separation, divorce, or death.

Coverage will become effective on the premium due date following the date the person applies.

B. For Persons Having a Family Status Change

A person will have a 30 day special enrollment period to apply for coverage beginning on the date a family status change occurs.

In the case of a family status change due to marriage, coverage will begin on the earlier of the next premium due date or the first day of the month, after the completed application is received.

In the case of a family status change due to the birth of a dependent child, coverage will begin on the child's date of birth, if application is made during the special enrollment period.

In the case of a family status change due to adoption or placement for adoption, coverage will begin on the date of the adoption or placement for adoption, if application is made during the special enrollment period.

6. DEFERRED EFFECTIVE DATES

An employee must be at work on the date insurance begins. If the employee is not at work and it is for a reason that is not health status related, insurance does not begin until he/she returns to work. If insurance is to be effective on a non-work day, the employee must have worked the previous scheduled work day unless the absence was approved or it was health status related.

7. BENEFIT CHANGES

An insured employee must be at work on the date a benefit change occurs. If the employee is not at work and it is for a reason that is not health status related, the benefit change will not occur until he/she returns to work. If the benefit change is to occur on a non-work day, the employee must have worked the previous scheduled work day unless the absence was approved or it was health status related.

TERMINATION OF INSURANCE OF INSUREDS

1. The insurance of an insured employee will end on the earliest of the following dates:
 - a. the date that any portion of the premium that is due is not paid;
 - b. the premium due date following the date he/she is no longer an employee;
 - c. the date that this entire policy terminates.
2. The insurance of an insured dependent will end on the earliest of the following dates:
 - a. the date the insured employee's insurance terminates. If the insured employee's insurance terminates because he/she dies, dependent health coverage will remain in effect until the premium due date following 90 days after the insured employee's death;
 - b. the premium due date following the date he/she no longer meets the definition of a dependent as defined in this policy. An insured dependent child who is losing coverage because he/she is turning 19 years of age, and who because of a handicapped condition is incapable of self-support, may be continued under this insurance while remaining incapacitated, unmarried, and dependent on his or her parents or other care providers for lifetime care and supervision. We may request proof of incapacity from time to time, but not before 2 months prior to the date his/her insurance would otherwise end. If proof of incapacity is not received within 31 days after it is requested, the child will not be considered an insured dependent. If we do not request proof of incapacity, coverage for this child shall extend through the term of the policy, or any extension or renewal of the policy.
 - c. the date that any portion of the premium that is due is not paid.

CLAIMS

NOTICE OF CLAIMS

We must receive written notice of claims. It must be given within 20 days after the date the loss began or as soon as reasonably possible. It may be given at our Home Office or to one of our agents. It must contain enough information to identify you.

CLAIM FORMS

We will provide claim forms within 15 days after we receive notice of claim. If we do not provide the forms, a claim may be filed without using them. Such claims must contain written proof of loss. It must cover the occurrence, type, and extent of loss.

PROOF OF LOSS

Written proof of loss must be sent to our Home Office within 90 days after the loss or as soon as reasonably possible. Proof provided more than one year late will not be accepted unless evidence, satisfactory to us, is submitted that shows it was not reasonably possible to submit proof within the time specified.

PHYSICAL EXAMINATION AND AUTOPSY

We, at our expense, have the right to examine the insured when and as often as we may reasonably require while a claim is pending or during any period in which we are paying benefits. In the case of death, we have the right to have an autopsy performed.

LEGAL ACTIONS

No suit at law or in equity may be brought to recover on this policy:

1. any earlier than 60 days after written proof of loss has been sent to us as required by the terms of the policy; or
2. any later than three years after the time such proof must be sent.

PAYMENT OF CLAIMS

We will either accept or deny a clean claim within 30 days after we receive it. If the clean claim is not paid within 30 days, we will pay interest at the rate of 10% per annum on any benefit due beginning on the 31st day after we receive all information necessary to establish a clean claim.

All accident and health benefits are payable to the insured employee. However, we reserve the right to pay benefits directly to the hospital or other provider of medical services. These payments will satisfy our responsibility to the extent of the payments.

If any benefit remains payable after the death of the insured or while he/she is not competent to give a valid release, we may pay a benefit up to \$1,000.00 to any relative of his/hers who we decide is justly entitled to it. Any payment made to his/her relatives in good faith will fully release us of our responsibility to the extent of the payment.

MAJOR MEDICAL BENEFIT PROVISIONS

AMOUNT OF BENEFIT

We will pay the amount of benefit shown on the Schedule of Benefits for covered expense after the deductible has been met. Our payments will not exceed the maximum benefit shown on the Schedule of Benefits. Our payments are subject to this policy's definitions, provisions, limitations, and exclusions.

BENEFIT FOR COVERED EXPENSE PROVIDED BY A PREFERRED PROVIDER

Before we can pay any benefit for services provided by a Preferred Provider, covered expense equal to the applicable In-Network deductible must be incurred in a calendar year. An insured who has Individual Coverage must meet the In-Network Individual Coverage Deductible. For those insureds with Family Coverage, the In-Network Family Coverage Deductible must first be met.

We will then pay benefits for covered expenses provided by a preferred provider that are in excess of the applicable In-Network deductible for the remainder of that calendar year. These benefits will be paid at the In-Network coinsurance percentage shown on the Schedule of Benefits (or at the coinsurance percentages listed in the section titled "Limitations to Health Benefits Provided by this Policy".)

Benefit for In-Network covered expense will be paid at 100% once the applicable In-Network coinsurance share amount has been met. An insured with Individual Coverage will have to meet the In-Network Individual Coverage Coinsurance Share amount before benefit is paid at 100%. For those insureds with Family Coverage, the In-Network Family Coverage Coinsurance Share amount must be met before benefit is paid at 100%.

Covered expense provided by a preferred provider and paid at 50% under the section titled "Limitations to Health Benefits Provided by this Policy" will not be applied to any In-Network Individual Coverage Coinsurance Share, or In-Network Family Coverage Coinsurance Share. Covered expense paid at 90% under the section titled "Transplant Benefit" will not be applied to any In-Network Individual Coverage Coinsurance Share, or In-Network Family Coverage Coinsurance Share.

BENEFIT FOR COVERED EXPENSE FOR EMERGENCY SERVICES PROVIDED IN A HOSPITAL EMERGENCY ROOM

When you incur covered expense for emergency services provided in a hospital emergency room, you must pay a \$75 emergency room access fee. This amount must be paid anytime you receive emergency services in a hospital emergency room, and are not directly admitted to the hospital as an inpatient. This amount is in addition to any deductibles and coinsurance share amounts.

After you pay the first \$75 of covered expense, we will pay other covered expense as outlined above in the section titled "Benefit for Covered Expense Provided by a Preferred Provider."

If you are directly admitted to the hospital as an inpatient following an emergency room visit, you will not be required to pay the \$75 emergency room access fee.

BENEFIT FOR COVERED EXPENSE PROVIDED BY A NON-PREFERRED PROVIDER

Before we can pay any benefit for services provided by a Non-Preferred Provider, covered expense equal to the applicable Out of Network deductible must be incurred in a calendar year. An insured who has Individual Coverage must meet the Out of Network Individual Coverage Deductible. For those insureds with Family Coverage, the Out of Network Family Coverage Deductible must first be met.

We will then pay benefits for covered expenses provided by a non-preferred provider that are in excess of the applicable Out of Network deductible for the remainder of that calendar year. These benefits will be paid at the Out of Network coinsurance percentage shown on the Schedule of Benefits (or at the coinsurance percentages listed in the section titled "Limitations to Health Benefits Provided by this Policy".)

Benefit for Out of Network covered expense will be paid at 100% once the applicable Out of Network coinsurance share amount has been met. An insured with Individual Coverage will have to meet the Out of Network Individual Coverage Coinsurance Share amount before benefit is paid at 100%. For those insureds with Family Coverage, the Out of Network Family Coverage Coinsurance Share amount must be met before benefit is paid at 100%.

Covered expense provided by a non-preferred provider and paid at 50% under the section titled "Limitations to Health Benefits Provided by this Policy" will not be applied to any Out of Network Individual Coverage Coinsurance Share, or Out of Network Family Coverage Coinsurance Share. Covered expense paid at 90% under the section titled "Transplant Benefit" will not be applied to any Out of Network Individual Coverage Coinsurance Share, or Out of Network Family Coverage Coinsurance Share.

USE OF NON-PREFERRED PROVIDERS

When you use a non-preferred provider:

- 1. the amount of payment is based upon a reduced allowable amount, and not the actual billed charge; and**
- 2. you may be expected to pay a larger portion of the bill, even after we have paid the percentage of eligible expense provided under the policy.**

BENEFIT FOR EMERGENCY CARE

Sometimes situations occur that require an insured to receive care from a non-preferred provider, instead of preferred providers. When an insured requires emergency care as defined by the policy, benefits will be calculated as if the expense was provided by a preferred provider, even when the expense is from a non-preferred provider. The in network deductible, in network coinsurance percentage, and in network coinsurance share amounts will apply as long as emergency care is being rendered. Once it has been established that the insured can safely transfer to the care of a preferred provider, we will only pay in network benefits for preferred providers. If the insured chooses to continue to receive care from non-preferred providers once a safe transfer to a preferred provider can be made, benefit for expense from non-preferred providers will be calculated using the out of network deductible, out of network coinsurance percentage, and out of network coinsurance share amounts.

EXPENSE COVERED BY THE PLAN

Benefits are payable for covered expense. Covered expenses are charges:

1. by a hospital for:
 - semiprivate room and board;
 - care in the Intensive Care Unit;
 - hospital services and supplies which are to be used while in the hospital;
 - emergency services in a hospital emergency room;
 - outpatient medical care and treatment.
2. for outpatient surgery performed in a licensed ambulatory surgical facility.
3. by a physician for:
 - office visits;
 - hospital care;
 - surgical services, including postoperative care following inpatient or outpatient surgery; for multiple surgical procedures performed during the same operative session, covered expense will include 100% of the regular, reasonable and customary amount for the first surgical procedure, 50% of the regular, reasonable and customary amount for the second surgical procedure, and 25% of the regular, reasonable and customary amount for each additional surgical procedure;
 - services of an assistant surgeon when medically necessary to perform the surgery, but no more than 20% of the amount allowed for the primary surgeon's fee;
 - injections, and medication that is consumed at the physician's office.
4. for other services and supplies for:
 - anesthesia and its administration;
 - medications requiring a written prescription that are self-injected, when pre-approved by us;
 - x-rays, and radiation therapy;
 - chemotherapy, or similar treatment, provided in the office or the home, but the covered expense for chemotherapy provided through a physician's office will not exceed the regular, reasonable, and customary fees for home chemotherapy;
 - laboratory tests;
 - the initial purchase of artificial limbs, eyes, and larynx;
 - blood, blood plasma, and its administration;
 - casts, splints, trusses, braces, and crutches;
 - ostomy supplies;
 - allergens dispensed by a physician;
 - durable medical equipment, when we have preauthorized the purchase or rental;
 - surgical dressings for two months following surgery;
 - the purchase of one pair of the following while insured:
 - one pair of orthopedic shoes;
 - one support stocking for each leg;
 - one article of similar apparel-type item;
 - local ground ambulance transportation to the nearest preferred provider hospital able to provide the care, not to exceed \$2,000 in a calendar year;
 - air ambulance transportation to the nearest preferred provider hospital able to provide the care, not to exceed \$10,000 in a calendar year;
 - drugs requiring a written prescription, including oral contraceptives, which are purchased using the discount drug card we provide, and submitted electronically to us by the discount drug card company;

- insulin, diabetic syringes and needles, test strips for glucose monitors and glucagon emergency kits;
 - up to ten hours in a 12 month period in a diabetic self-management training and education program under the following conditions:
 - the treating physician certifies that such services are necessary;
 - the program is certified by the Iowa department of public health;
 - it is for a new onset of diabetes; or
 - the patient has poor glycemic control as evidenced by a glycosylated hemoglobin of 9.5 or more in the ninety days before attending the training; or
 - there has been a change in treatment regimen from no diabetes medications to any diabetes medication, or from oral diabetes medication to insulin; or
 - the patient is high risk for complication based on poor glycemic control, with documented evidence of problems in the past year; or
 - the patient is high risk for lack of feeling in the foot, foot ulcer or amputation, diabetic related retina problems, or kidney complications;
 - one followup diabetic self-management training and education session of up to one hour each year for an individual who has received the initial training and education;
 - breast prosthesis or reconstructive surgery following a mastectomy, including surgery and reconstruction of the other breast to produce a symmetrical appearance; coverage of physical complications at all stages of a mastectomy including lymphedemas;
 - a baseline mammogram for women age 35 to 39 years of age;
 - an annual mammogram for women 40 years of age or older;
 - the laboratory work for an annual cervical smear or pap smear for female insureds;
 - an annual digital rectal examination and a prostate-specific antigen test, for male insureds age 40 and over, upon the recommendation of a physician;
 - outpatient contraceptive services and prescription contraceptive devices, including Levonorgestrel (Norplant);
 - examinations and laboratory tests for the detection of colorectal cancer as prescribed by a physician, in accordance with the published American Cancer Society guidelines on colorectal cancer screening.
5. for home health care visits not to exceed:
 - a. the number of visits shown on the Schedule of Benefits during one calendar year; and
 - b. the cost for such care in an inpatient facility.
 6. for care in a nursing facility when pre-approved by us, but not for longer than the number of days shown on the Schedule of Benefits during one calendar year.
 7. for hospice care when pre-approved by us.

WELL-CHILD CARE BENEFIT

We will pay for covered expense for well-child care as defined in this policy for a child from birth to age seven. Any applicable coinsurance amounts will apply.

We will allow one visit at each interval, payable to one provider for all services provided.

The benefit will be provided at approximately the following intervals: birth, 2 weeks, 2 months, 4 months, 6 months, 9 months, 12 months, 15 months, 18 months, 24 months or two years, three years, four years, five years and six years.

TRANSPLANT BENEFIT

We will pay for covered expense for pre-approved organ transplants according to the following schedule:

<u>Designated Transplant Facility</u>	<u>Non-Designated (Considered Out Of Network) Transplant Facility</u>
100% of Approved Transplant Services	70% of the Covered Expense in excess of the Out of Network deductible for hospital charges, physician charges, tissue typing and other ancillary services related to the organ transplant. Once the insured has paid 30% of \$100,000 of covered expense for the transplant services listed above, then we will pay 100% of the covered expense for those services for the rest of the calendar year during which the organ transplant occurred.
Coverage as outlined in Travel/Lodging Benefit	No coverage for transportation and lodging
Organ Procurement and acquisition covered in full.	No coverage for organ procurement and acquisition.

TRAVEL/LODGING BENEFIT

When a covered organ transplant is performed at a Designated Transplant Facility, we will provide:

1. Transportation for the insured patient and one member of the insured patient's immediate family to accompany the insured patient to and from the Designated Transplant Facility; and
2. Lodging at or near the Designated Transplant Facility for the family member who accompanied the insured patient, while the covered person is confined at the Designated Transplant Facility.

We will arrange the transportation and lodging at no cost to the insured patient; except that the daily maximum benefit we will pay for food and lodging for the family member who accompanied the covered person is \$200.00 with a total maximum of \$10,000. We must be provided with itemized bills for all transportation, food and lodging expenses.

OPTIONAL BENEFITS - Please refer to the Schedule of Benefits to determine if you are covered for these benefits.

WELLNESS BENEFIT FOR PREVENTIVE HEALTH CARE

If this policy contains this benefit, the maximum wellness benefit for each insured in a calendar year will be shown on the Schedule of Benefits.

We will pay 100% of the reasonable and customary charge for expense incurred for preventative health care, consisting of a history and general physical examination, immunizations and the following tests when ordered in conjunction with the wellness exam:

1. mammogram;
2. pap smear;
3. blood screening tests, such as screening tests for cholesterol level, diabetes, sexually transmitted disease, PSA test and liver function;
4. chest x-rays, electrocardiograms, and stress tests;
5. screening tests for colon cancer;
6. tuberculosis skin test; and
7. routine vision exams.

We will only pay for expense for preventive health care exams and immunizations when provided by a Preferred Physician. We will only pay for preventive health care tests when ordered by a Preferred Physician, and provided by a Preferred Provider.

We will not pay more than the maximum wellness benefit for each insured in a calendar year for expense incurred for preventive health care.

Expense incurred to monitor or treat an existing illness or injury will not be covered under this provision.

PREGNANCY LIKE ANY ILLNESS

If this policy contains this benefit, it will be shown on the Schedule of Benefits.

Expenses incurred as a result of a normal pregnancy will be considered covered expenses under this policy.

If we pay benefits for the pregnancy, then expense incurred for a well newborn child's initial confinement will be considered covered expense. The expense will be subject to all major medical policy provisions.

For a covered pregnancy, hospital services for inpatient care provided to the mother and the dependent newborn child will be covered for:

1. a minimum of 48 hours (not including the day of delivery) following a vaginal delivery; or
2. a minimum of 96 hours (not including the day of delivery) following a cesarean section;

unless the following applies:

1. post-discharge office visit to the physician or in-home nurse visit is provided in the first 48 hours after discharge; or
2. earlier discharge is consented to by the mother and the attending physician.

If a newborn child needs treatment for an illness or injury, benefits will be available for that care only if the newborn child is insured as a dependent under this policy. To insure your newborn as a dependent under this policy, you must apply for coverage for the newborn and pay any premium due within 60 days after the newborn's birth in order to have the coverage continue beyond such 60 day period.

(END OF OPTIONAL BENEFITS)

LIMITATIONS TO HEALTH BENEFITS PROVIDED BY THIS POLICY

These limitations apply to all health benefits provided by this policy.

Covered expenses incurred for certain types of medical treatment are limited. When an insured receives any of the following types of treatment, the benefits will be paid as explained below:

1. Mental Illness/Nervous Disorders & Chemical Dependency

a. Expense incurred as a result of mental illness/nervous disorders will be considered covered expenses under this policy, except that, during a calendar year, we will not pay for more than:

1. 30 days of inpatient treatment; or
2. 52 visits for outpatient treatment for group and individual therapy.

The expense is subject to all other policy provisions.

b. The benefit payable for the treatment of chemical dependency including alcoholism and drug addiction, is limited to 50% of the covered expenses in excess of the deductible amount. The total benefit payable for all covered expenses for the treatment of chemical dependency, both inpatient and outpatient, is limited to \$10,000 for each insured in a calendar year.

2. Sterilization Procedures

The benefit payable for all sterilization procedures is limited to 50% of all covered expenses incurred as a result of the procedure which are in excess of the deductible amount. However, no benefit will be payable for a sterilization procedure performed during the insured patient's first 12 months of cover age under this policy or the former policy.

3. Temporomandibular Joint Disorder/Craniomandibular Disorder

Expenses incurred for the medical or surgical treatment of temporomandibular joint disorder and craniomandibular disorder will be considered covered expense. The expense will be subject to all policy provisions. The maximum benefit that will be paid for temporomandibular joint disorder and craniomandibular treatment is limited to \$2500 while insured under this policy.

4. Physical Therapy

Expenses incurred for outpatient physical therapy will be considered covered expense. The expense will be subject to all policy provisions. The maximum benefit that will be paid for outpatient physical therapy is limited to \$3,000 for each insured in a calendar year.

5. Occupational Therapy

Expenses incurred for outpatient occupational therapy will be considered covered expense. The expense will be subject to all policy provisions. The maximum benefit that will be paid for outpatient occupational therapy is limited to \$1,000 for each insured in a calendar year.

6. Speech Therapy

Expenses incurred for outpatient speech therapy by a licensed or certified speech therapist to restore speech loss or correct an impairment due to a congenital defect for which corrective surgery has been performed, or an injury or illness except for a mental, nervous or emotional disorder will be considered covered expense. The expense will be subject to all policy provisions. The maximum benefit that will be paid for outpatient speech therapy is limited to \$1,000 for each insured in a calendar year.

BENEFIT LIMITATIONS FOR PREEXISTING CONDITIONS

If an insured is not a late enrollee, any expense incurred for treatment of a preexisting condition during the insured's first 12 months of coverage under this policy will not be considered a covered expense. We begin counting the 12 month period from the enrollment date. The 12 month period will be reduced by the number of days of qualifying creditable coverage the insured has as of the enrollment date.

If an insured is a late enrollee, any expense incurred for treatment of a preexisting condition during the insured's first 18 months of coverage under this policy will not be considered a covered expense. We begin counting the 18 month period from the enrollment date. The 18 month period will be reduced by the number of days of creditable coverage the insured has as of the enrollment date.

Preexisting condition means any illness or injury, whether physical or mental, for which medical advice, care, or treatment was recommended for or received by the insured within the six month period before his/her enrollment date. However, a pregnancy will not be considered a preexisting condition.

For the purposes of this section, treatment means:

1. any examination, diagnostic test, or actual treatment by a physician, which demonstrates the presence of an illness or injury, or symptoms of an illness or injury;
2. any medication or other service or supply dispensed in regard to an illness or injury or symptoms of an illness or injury;
3. any checkup or examination to determine if a previously existing illness or injury is recurring.

If an insured was covered under the former policy when this policy replaced it, and he/she became insured on this policy's effective date, his/her benefits for a preexisting condition will be the lesser of:

1. the benefits of this policy without the application of the preexisting condition limitation; or
2. the benefits of the former policy.

EXPENSE NOT COVERED BY THE PLAN

These exclusions apply to all health benefits of this policy.

1. This insurance does not cover loss caused by:
 - an act of war;
 - service in the armed forces;
 - complications arising from excluded treatment, except for complications of pregnancy;
 - commission of a felony or illegal activities.
2. This insurance does not pay any benefit for expense for:
 - services that aren't medically necessary;
 - services for which no benefit is defined or described in this policy;
 - incidental appendectomies;
 - treatment of educational, developmental, or training problems, learning disorders, marital counseling, or social counseling;
 - services provided by an employee of a school district, or a person contracted to provide services for a school district, or services available through a school system;
 - any experimental/investigational service, supply, or treatment;
 - the use of any services or facilities of a federal, Veteran's administration, state, county or municipal hospital, except where we or the insured are legally required to pay the expenses;

- treatment of an injury or illness caused by or resulting from an illness or injury of the insured, if the illness or injury is recognized as a compensable loss by the provisions of any worker's compensation act, employer liability law, occupational disease law, or any similar law of a state or federal government, or other governmental subdivision, under which the person is or could be protected on a mandatory basis, whether or not such protection is afforded; or would have been recognized had the insured made claim within the appropriate time limits. If the worker's compensation type coverage has denied a claim, but the insured is still pursuing coverage with the worker's compensation type coverage through a state or federal commission or agency, or other legal entity, benefits will not be payable under this policy until the insured certifies he/she no longer intends to pursue coverage through the worker's compensation type coverage;
- hearing aids, eyeglasses, frames, contact lenses, dentures;
- any dental treatment, dental surgery, or extractions, except for the treatment of injuries to whole natural teeth. The treatment must be performed during the first 12 months after the date of injury;
- any service or supply not recommended or approved by a licensed medical practitioner;
- any treatment or surgery that results in the improvement of appearance, except for that which is the result of an injury. The treatment must be performed during the first 12 months after the date of injury;
- services or supplies that are not for the diagnosis or treatment of an existing illness or injury, except as provided under any Wellness Benefit for Preventive Care or Well-Child Care Benefit;
- eye examinations for the correction of vision or fitting of glasses or contact lenses, immunizations or vaccinations, including Synagis or similar immunization agents, except as provided under any Wellness Benefit for Preventive Care or Well-Child Care Benefit;
- abortions, except where the mother's life is threatened;
- normal pregnancy or childbirth, including expense incurred for a well new born's initial hospital confinement, except as may be provided in this policy under a specific provision titled "Pregnancy Like Any Illness". However, expense that is in excess of the amount incurred for a normal delivery, and that is incurred for a complication of pregnancy, will be considered covered expense;
- any orthodontic procedure or appliance;
- more than one ultrasound examination for a normal pregnancy;
- amniocentesis, except for the diagnosis or treatment of an existing complication of pregnancy;
- reversal of sterilization procedures;
- nonmedical services and supplies;
- durable medical equipment unless we have preauthorized the purchase or rental of the equipment;
- any service or supply that the insured is not legally required to pay for, including any forgiveness of deductible, or coinsurance by a provider;
- any surgery for the correction of a refractive error;
- treatment received in the emergency room of a hospital, except when emergency services are being rendered;
- any physical therapy service that could be done as part of a home exercise program or accomplished at a health club;
- the replacement of a piece of durable medical equipment or a prosthesis;
- custodial care;
- services furnished by the insured or a member of his/her or his/her spouse's immediate family, or by a person who regularly lives in his/her home;

- hospital charges for the first weekend in the hospital if the insured is admitted to a hospital on a Friday, Saturday, or Sunday, except when the admission is for emergency services, or when surgery is performed the next morning.
- treatment related to the restoration of fertility or promotion of conception including in vitro fertilization;
- nutritional supplements;
- animal to human organ transplants;
- replacement of human organs by artificial or mechanical devices;
- treatment of nicotine, caffeine, gambling, computer, or similar addictions;
- any medical treatment, surgical procedure, weight reduction program, membership dues, or clinic fees for the treatment of obesity, including morbid obesity; any surgical procedure to remove excess tissue caused by weight loss;
- services provided by a midwife, except where specifically licensed by the State to practice midwifery;
- a sterilization procedure performed during the insured patient's first 12 months of coverage under this policy or the former policy;
- by a registered nurse (RN) for private duty professional nursing services;
- sclerotherapy for varicose veins;
- for devices used specifically as safety items or to affect performance primarily in sports-related activities;
- medical or surgical treatment of upper or lower jaw alignment conditions or malformations, including orthognathic surgery, except for
 - direct treatment of acute traumatic injury or cancer; or
 - as may be provided in this policy under the provision titled "Temporomandibular Joint Disorder/Craniomandibular Disorder";
- wigs or hair prosthesis;
- routine foot care related to corns, calluses, flat feet, fallen arches, weak feet, or chronic foot strain, except that routine foot care for patients with diabetes will be covered; shoe inserts, casting for orthotics, and orthotics;
- physical conditioning programs such as athletic training, body-building exercises, fitness and flexibility programs;
- surrogate parenting;
- the services of a massage therapist, athletic trainer, or masseuse; acupuncture or acupressure treatment;
- sexual transformation;
- breast reduction surgery, except when performed in conjunction with reconstructive surgery following a mastectomy;
- treatment performed outside the United States, except when an emergency;
- removal of breast implants that were implanted solely for cosmetic reasons;
- growth hormone treatment except when such treatment is medically proven to be effective for the treatment of documented growth retardation due to growth hormone deficiency, growth retardation secondary to chronic renal failure before or during dialysis, or for patients with AIDS wasting syndrome. Services must also be clinically proven to be effective for such use and such treatment must be likely to result in a significant improvement of the insured's condition;
- self-injected prescription medications, except when pre-approved by us;

- any oral prescription medication that was purchased without using the discount drug card that we provide;
- over the counter medications;
- the difference between the cost of a Brand name drug and an Equivalent Generic drug;
- duplicate prescriptions or prescriptions refilled more frequently than the prescribed dosage indicates;
- fluoride supplements, minerals, Minoxidil for the treatment of alopecia, or vitamins;
- prescription legend drugs when multiple drug options are available and the least expensive is not tried first.

PRE-CERTIFICATION PROGRAM

To qualify for full benefits under the policy, you must call the Pre-certification Hotline if:

1. you are going to be admitted as an inpatient to a hospital or skilled nursing facility; or
2. you are going to have surgery performed outside of your primary care physician's office.

You can make the phone call, or you can have a relative or your physician make the phone call. However, you are responsible for making sure that someone calls the Pre-certification Hotline.

NON-EMERGENCY HOSPITALIZATIONS OR SURGERIES

The Pre-certification Hotline must be called at least 72 hours before an insured is scheduled for non-emergency surgery outside of the primary care physician's office or admitted to a hospital or skilled nursing facility for an inpatient stay.

MEDICAL EMERGENCY

The Pre-certification Hotline must be called within 2 business days (or as soon as reasonably possible if the insured's condition prevents them from calling within that time frame) following emergency surgery or emergency admission to a hospital or skilled nursing facility.

PREGNANCY

The Pre-certification Hotline must be called anytime there is a hospital admission for a complication of pregnancy that is not a cesarean section. The Hotline must also be called if a hospital stay exceeds:

1. 48 hours following a vaginal delivery (not including the day of delivery); or
2. 96 hours following a cesarean birth (not including the day of delivery).

If discharge from the hospital occurs earlier, a post-discharge visit will be provided to the mother and newborn by providers competent in postpartum care and newborn assessment if determined medically appropriate by the attending physician.

INFORMATION NEEDED

When a person calls the Hotline, he/she should have the following information available:

1. the insured patient's name, date of birth, sex, and the social security number of the insured;
2. the policy number;
3. the proposed (or actual) date and reason for admission or surgery;
4. the name and phone number of the hospital (or skilled nursing facility) and admitting physician;
5. any information regarding any other insurance plans.

PRE-CERTIFICATION PROCESS

When a call is made to the Pre-certification Hotline, the caller will be given a pre-certification number along with the reviewer's recommendations. The reviewer will assign a length of stay to the admission.

If your stay exceeds the recommended length of stay, the hospital (skilled nursing facility) or your physician should contact the reviewer, who will again review your case.

MEDICAL NECESSITY

No benefits will be payable for any confinement or surgery that is not approved by the reviewer as being medically necessary. The fact that a physician or another health care provider has prescribed or ordered an admission, surgery, or continued stay, does not necessarily mean the stay is medically necessary. Benefits are only payable if the pre-certification reviewer determines the admission, or continued stay, is medically necessary.

RIGHT TO APPEAL

The physician or insured may, at any time, initiate a request for reevaluation or extension of a reviewer's decision, by calling the Precertification Hotline.

FAILURE TO PRECERTIFY

If an insured fails to have his/her admission or surgery pre-certified, then the first \$500 of covered expense incurred as a result of the admission or surgery will not be covered under this policy, in addition to any medically unnecessary expense. However, this provision will not apply to an expectant mother's admission for pregnancy.

DISCONTINUANCE & REPLACEMENT PROVISIONS

The provisions listed on this page only apply to persons insured under the former policy on the day before this policy became effective, and who have been continuously insured under this policy since this policy's effective date.

DEDUCTIBLE CREDIT PROVISION

An insured's deductible for the first calendar year this policy is in force can be reduced by any expense that:

1. was applied to his/her deductible under the former policy for this calendar year; or
2. was incurred during the 90 day period prior to the date this policy became effective, and was applied to the deductible under the former policy.

RECEIVING CREDIT

To receive credit under these provisions, each insured must provide us with proof of the amount of credit earned under the former policy. This proof must be acceptable to us. It must be submitted at the same time he/she files his/her first claim under this policy.

MEDICARE AS PRIMARY PAYER

When Medicare is primary payer, we will coordinate our benefits with Medicare in accordance with the "Coordination of Benefits" provision in the policy.

If an insured is eligible for Medicare as primary payer, but does not enroll or apply for it on time, we will estimate what Medicare would have paid if the insured had made timely application.

COORDINATION OF BENEFITS

If an insured has medical or dental coverage under another group-type plan, we will coordinate our benefits with those of that plan. One plan is primary. One plan is secondary. The primary plan pays its regular benefits. The secondary plan pays a reduced amount, which when added to the benefits paid by the primary plan, will normally equal 100% of the allowable expense. The benefits payable under the secondary plan cannot exceed the benefit that would be payable if there was no other group-type plan.

RULES FOR ORDER OF PAYMENT

The primary plan is:

1. the plan which does not coordinate its benefits with any other plan.
2. the plan which covers the person as an employee or student, rather than as a dependent. (However, if a person is also a Medicare beneficiary, Medicare is secondary to the plan covering the person as a dependent, and primary to the plan covering the person as other than a dependent, for example a retired employee.)
3. the plan of the parent whose birthday (excluding year of birth) occurs earlier in a calendar year, if both parents are living together. If both parents have the same birthday, the plan that has covered a parent the longest is primary. If the other plan does not have this provision in their policy, then the plan which insures the father as an employee will be primary, rather than the plan which insures the mother as an employee.
4. the plan of the parent with custody of the child, if the parents are divorced or separated. The secondary plan will be the plan of the spouse of the parent with custody. The final plan will be the plan of the parent without custody.
5. If the specific terms of a court decree state that one of the parents is responsible for the health care expenses of the child, then the plan of the parent who has responsibility will be primary over the other parent or stepparent's plan. This provision does not apply until we have been informed of the terms of the court decree. Any benefits paid prior to our knowledge of the terms of the court decree will be subject to the other sections of this provision.
6. If the specific terms of a court decree state that the parents shall share joint custody, without stating that one of the parents is responsible for the health care expenses of the child, then the plan of the parent whose birthday occurs earlier in the calendar year is primary.
7. the plan which covers a person as an active employee, rather than the plan which covers the person as a laid-off or retired employee. The primary plan is the plan which covers the person as a dependent of an active employee, rather than the plan which covers the person as a dependent of a laid-off or retired employee.
8. the plan which insures the person as an employee, or the dependent of an employee, rather than the plan which insures the person under any continuation coverage. If the other plan does not have a rule regarding continuation coverage, and as a result, the plans do not agree on which plan is primary, then this rule will be ignored.
9. If none of the above rules apply, then the plan which has covered the insured person the longest is the primary plan. The length of time a person has been covered under a plan is measured from the claimant's first date of continuous coverage with the Policyholder.

BENEFIT CREDIT AS SECONDARY PLAN

If the amount we pay as the secondary plan is less than the amount that we would have paid as the primary plan, a benefit credit will exist. We, as the secondary plan, can use this benefit credit to pay other allowable expenses incurred by the same insured during the same calendar year as the benefit credit occurred.

RIGHT TO RECEIVE AND RELEASE INFORMATION

We have the right to seek and to release any necessary information to any other insurance company or organization, for the purpose of implementing this provision. We can do this without consent or notice to any concerned person. Any person claiming benefits under this policy must provide us with any necessary information to implement this provision.

REIMBURSING THE OTHER PLAN

If another plan has paid their benefit in error according to this provision, we can make payment directly to them to satisfy the intent of this provision. Any payment made by us for this reason will fully discharge us of any liability under this plan.

RIGHT TO RECOVERY

If we made a payment in error, we can recover our payment from the other plan, the insured, or anyone else to whom we have made payment, so as to satisfy the intent of this provision.

RIGHT OF REIMBURSEMENT

If an insured incurs expenses for illness or injury that occurred due to the negligence of a third party:

1. we have the right to reimbursement for all benefits we paid from any and all damages collected from the third party for those same expenses whether by action at law, settlement, or compromise, by the insured, the insured's parents if the insured is a minor, or the insured's legal representative, as a result of that illness or injury; and
2. we are assigned the right to recover from the third party, or his or her insurer, to the extent of the benefits we paid for that illness or injury.

We shall have the right to first reimbursement out of all funds the insured, the insured's parents if the insured is a minor, or the insured's legal representative, is or was able to obtain for the same expenses we have paid as a result of the illness or injury.

You are required to furnish any information or assistance or provide any documents that we may reasonably require in order to obtain our rights under this provision. This provision applies whether or not the third party admits liability.

CONTINUATION OF HEALTH INSURANCE COVERAGE AFTER TERMINATION OF EMPLOYMENT, DEATH, OR DISSOLUTION OR ANNULMENT OF MARRIAGE

The insurance of insured employee and dependents ends when an insured employee terminates his/her employment. An insured whose insurance ends for this reason may elect to continue the health insurance coverage that was in force for himself/herself, and any insured dependents, if:

- he/she has been insured under this group policy, or the former policy for three consecutive months before his/her insurance would end; and
- he/she is not covered by Medicare; and
- he/she is not eligible to be covered, or covered, under any group health policy that becomes effective after his/her termination of employment date.

The policyholder must provide written notice of the continuation right no later than 10 days after termination.

The insured must request continuation of this insurance in writing within 10 days after the later of:

- the date insurance would end due to termination of employment; or
- the date the insured is given written notice of the right to continuation by the Policyholder;

but in no event later than 31 days after insurance would otherwise end. The insured employee must pay the entire premium due to the Policyholder in advance every month.

An insured dependent may also continue coverage if they are losing health insurance due to dissolution or annulment of marriage or death of the employee. The person eligible for continuation, who shall be the spouse or the custodial parent or legal guardian on behalf of a dependent child, must notify the policyholder of the occurrence of the event within 30 days after the event occurs. Within ten days of receipt of that notice, the policyholder must provide the person eligible for continuation with notice of the continuation right. The person must request continuation in writing within 10 days after receipt of the notice of the continuation right.

All health insurance benefits provided under this provision are subject to this policy's provisions, exclusions, and limitations.

The insurance provided under this provision will end on the earliest of the following dates:

1. the date the insured becomes eligible for Medicare;
2. the date the insured becomes covered under group health insurance that has an effective date after his/her termination of employment date;
3. the date nine months from the date his/her insurance would have ended due to termination of employment;
4. the date he/she fails to pay any premium due; or
5. if the continuing insured is a former spouse, the date the former spouse remarries; or
6. the date this entire group policy terminates.

FEDERAL CONTINUATION OF HEALTH COVERAGE AFTER TERMINATION

If this continuation provision is included in this policy, it will be indicated on the Schedule of Benefits.

Under certain circumstances, an insured has the right to continue his/her health insurance beyond the date that it would normally end. The health insurance coverage that can be continued is the same coverage that is provided to insureds whose coverage has not ended. However, any weekly income benefits for total disability cannot be continued.

CONTINUATION RIGHTS

1. An insured's health insurance can be continued for a maximum period of 18 months, if it is ending because:
 - a. the insured employee's employment terminated for reasons other than gross misconduct; or
 - b. the insured employee had his hours reduced.

If an insured does not wish to continue coverage for himself/herself, his/her insured spouse and/or insured children may elect to continue the coverage on their own for a maximum of 18 months.

2. An insured's health insurance may be extended beyond the 18 month continuation period, to a maximum period of 29 months, for himself/herself and/or his/her insured dependents, if:
 - a. his/her insurance is ending because of one of the reasons listed above; and
 - b. he/she qualifies as disabled for Social Security purposes at the time his/her employment ends or at any time during the first 60 days of COBRA continuation; and
 - c. he/she notifies the Policyholder of a determination of total disability by the Social Security Administration within 60 days of the determination, but before the end of the first 18 months of continuation.

However, an insured's extended continuation will end the premium due date that is at least 30 days after a final determination under the Social Security Act that he/she is no longer disabled. Premiums during the additional 11 months of coverage will be at a substantially higher rate than for the initial 18 month period.

3. An insured dependent's health insurance can be continued for a maximum period of 36 months, if his/her insurance is ending because:
 - a. the insured employee dies;
 - b. a divorce or legal separation has occurred;
 - c. the insured dependent child no longer meets this policy's definition of a dependent child;
 - d. the insured employee became covered by Medicare.
4. An insured dependent's health coverage can be continued for at least 36 months from the date the insured employee became covered by Medicare, if his/ her insurance ends for any of the above-listed reasons.
5. An insured can continue his/her insurance for 36 months, if:
 - a. he/she has lost coverage or had his/her coverage substantially reduced within one year before or after the date his/her employer began proceedings in a Ch. 11 bankruptcy proceeding; and
 - b. he/she retired after the Ch. 11 bankruptcy proceeding; or
 - c. he/she is an insured dependent of a retiree who died after a Ch. 11 bankruptcy proceeding.
6. An insured can continue his/her insurance for his/her lifetime, if:
 - a. he/she has lost coverage or had his/her insurance substantially reduced within one year before or after his/her employer began proceedings in a Ch. 11 bankruptcy case; and
 - b. he/she is a retiree who retired before the Ch. 11 bankruptcy proceeding; or
 - c. he/she is a widow or widower of a retiree who died before the bankruptcy proceeding.

NOTIFICATION RESPONSIBILITIES OF THE POLICYHOLDER

The Policyholder must notify an insured of his/her right to continue within 14 days after the Policyholder becomes aware that one of the events listed above has occurred. The notification must be in writing.

RESPONSIBILITIES OF AN INSURED

1. An insured must notify the Policyholder if any of the following events occur:
 - a. a divorce or legal separation;
 - b. an insured child no longer meets the policy's definition of an insured dependent child.

This notice must be given to the Policyholder within 60 days of the occurrence of one of these events.

2. An insured must notify the Policyholder if he/she wants to continue coverage. He/she must give notice within 60 days after the date a COBRA qualifying event occurs, or within 60 days after the Policyholder provides him/her with notification of this right to continue, whichever is the longer period of time. The notice the insured must provide must be in writing, by using the COBRA Continuation of Coverage Election form that the Policyholder provides him/her.
3. If an insured decides to continue this coverage, the first premium payment is due 45 days following the date he/she returns the election form. Coverage is provided only when the full premium for the applicable period is received. The insured must pay any premiums after that within 30 days of the date the premium is due. Premium payments must be made to the Policyholder. Coverage is not in force for any period for which premium is not paid.

INSURED'S WHO CANNOT CONTINUE

An insured cannot continue this coverage if at the time of his/her termination, he/she is a nonresident alien with no earned income from sources within the United States, or the dependent of such person.

TERMINATION

Continued coverage will end on the earliest of the following dates:

1. the date the maximum continuation period has been exhausted;
2. the date the employer ceases to maintain any group health plan for any employee;
3. the date the insured is covered by another group health plan which does not include preexisting condition clause or which would have the preexisting condition limitation period reduced by qualifying COBRA continuation coverage;
4. the date the insured becomes covered by Medicare;
5. the date any premium that is due is not paid within the time allowed.

An insured's continuation will terminate anytime this policy is terminated.

FAMILY AND MEDICAL LEAVE ACT (FMLA) CONTINUATION PROVISION

An employee receiving a leave of absence qualifying under the FMLA will continue to receive health insurance as if he/she was not on leave.

All other benefits, such as any life insurance, accidental death and dismemberment, disability and dental insurance will terminate in accordance with the other policy continuation and termination provisions.

TERMINATION OF HEALTH INSURANCE

Health insurance benefits will end on the earliest of the following dates:

1. the date that any portion of the health premium that is due is not paid;
2. the premium due date following the date the employee no longer qualifies under this or another policy continuation provision;
3. the date this policy terminates;
4. the premium due date following the date the employee gives notice of an intent not to return to work.

If coverage is terminated for any reason other than nonpayment of premium, or the termination of the entire policy, then the employee may be able to continue his/her health insurance for an additional period of time. Please see the section titled "Federal Continuation of Health Insurance Coverage After Termination" to determine if any additional continuation is available.

REINSTATEMENT OF BENEFITS

An employee returning from a FMLA leave of absence can reinstate any life, accidental death and dismemberment, disability, health, and dental benefits by applying within 31 days from the date he/she returned from the leave of absence. The benefits will be reinstated on the date the employee returned from the leave. No waiting periods or benefit limitations for preexisting conditions will apply.

Employees applying more than 31 days from the date of return from the leave will be considered late enrollees.

APPEALS/COMPLAINTS

It is our policy to treat each claim submission fairly. If, however, you are not satisfied with our decision on a matter, you have the right to file an appeal or a complaint asking us to reconsider our decision.

Requests for reconsideration can be made by contacting us by phone, fax or letter at:

LIFE & HEALTH CLAIM COMMITTEE
PEKIN LIFE INSURANCE COMPANY
2505 COURT STREET
PEKIN, IL 61558
Ph.: 800-322-0160, ext. 2245
Fax: 309-346-8265

We will also include specific instructions on how to file an appeal with any negative decision regarding a claim or request for benefits.

You can also write to the State Insurance Department at:

IOWA INSURANCE DIVISION
CONSUMER AFFAIRS BUREAU
330 MAPLE STREET
DES MOINES, IA 50319-0065