

# HELP WITH HOSPITAL COSTS

## SELF-ADMINISTERED HOSPITAL SELECT® II HOSPITAL INDEMNITY INSURANCE

***Hospital Select II, underwritten by Transamerica Life Insurance Company, is extra protection in case of hospitalization to help with co-pays, co-insurance — even ordinary household expenses.***

When Talia comes down with a nasty cough, what her family thinks is just a cold soon lands her in the hospital as pneumonia. Fortunately, she responds well to treatment and is discharged and sent home within a few days.

Just as important, she also bounces back financially. It could have been a different story without her employer's hospital indemnity insurance. With benefits that help complement her major medical insurance, she and her family remain healthy in more ways than one.

### DIRECT PAYMENTS FOR HEALTHCARE COSTS

Hospital indemnity insurance pays an amount for each day the insured is hospitalized, up to specific maximum limits. Because the benefits are paid to the insured directly, Talia uses them to help pay out-of-pocket expenses, such as her \$1,500 deductible and co-pays. She also could use them to pay her car payment, rent or child care.

### HOSPITAL SELECT II FEATURES

- Benefits for full-time and part-time employees
- No co-insurance, co-pays, waiting periods, or deductibles
- Benefits paid in addition to other insurance the insured may have
- Portability that allows employees to keep insurance after they retire or leave the job

### EASY QUALIFICATION WITH BROAD ELIGIBILITY

This policy is available for individuals, single-parent families, individuals with spouses or other adult dependents, and families. There is no maximum issue age for employees and their adult dependents, including common-law marriage partners, domestic partners, or civil union partners. Children under the age of 26 can be insured.

**THIS IS NOT MAJOR MEDICAL INSURANCE AND IS NOT A SUBSTITUTE FOR MAJOR MEDICAL INSURANCE. IT DOES NOT QUALIFY AS MINIMUM ESSENTIAL HEALTH COVERAGE UNDER THE FEDERAL AFFORDABLE CARE ACT.**

This is a brief summary of *Hospital Select® II*, underwritten by Transamerica Life Insurance Company, Cedar Rapids, Iowa. Policy form series CPGHI400 and CCGHI400. Forms and form numbers may vary. Insurance may not be available in all jurisdictions. Limitations and exclusions apply. Refer to the policy and riders for complete details.

Up-to-date information regarding our compensation practices can be found in the disclosures section of our website at [tbcs.com](http://tbcs.com).

125375

### PRODUCT HIGHLIGHTS

- No lifetime maximum
- No waiting period
- Benefits paid directly to the insured
- Payroll-deducted premiums
- Family options available



TRANSAMERICA®

## Product Details

The following benefits are included in your plan option(s). Unless otherwise noted, all benefits and maximums are per insured person.

Daily In-Hospital Indemnity Benefit	Benefit Details
Pays each day an insured person is confined to a hospital (but not an emergency room, outpatient stay or stay in an observation unit) as the result of a covered accident or sickness.	\$100.00
Maximum	31 Days per confinement
<b>Included Riders:</b>	
<b>Intensive Care Indemnity Benefit Rider (Rider Form Series CRCICU00)</b>	
Pays each day an insured person is confined to an intensive care unit as the result of a covered accident or sickness.	\$100.00
Calendar Year Maximum	10 Days
<b>Hospital Confinement Indemnity Benefit Rider (Rider Form Series TRHI1000-0118)</b>	
Pays each day an insured person is confined to a hospital (but not an emergency room, outpatient stay or stay in an Observation unit) as the result of a covered accident or sickness lasting a minimum of 24 continuous hours from time of admission.	\$1500.00
Maximum	1 day per confinement/1 day(s) per calendar year

## Product Details

Monthly Rates				HSII HSA
Hospital Select® II				2018.10.D1.00.0.00D1.0.00
Age	Employee	Employee and Spouse	Employee and Child(ren)	Family
All Ages	\$14.87	\$31.50	\$21.79	\$35.65

\*The illustrated rates DO NOT contain a pre-existing condition limitation.

The above rates are quoted for this group with 17752 eligible lives.  
Should this plan design sell and the submitted group size is different, rates may be different.

*\*HSA Compatible - Based on its understanding of available guidance, Transamerica Life Insurance Company views the insurance benefits shown in this proposal as compatible with High-Deductible Health Plans and Health Savings Accounts. However, there is no guarantee that the relevant authorities will agree with Transamerica's understanding. Current guidance is not complete and is subject to change. Neither Transamerica nor its agents or representatives provide legal or tax advice. Accordingly, Transamerica encourages its customers to consult with and rely upon independent tax and legal advisors regarding their particular situations, the use of the products presented here with High-Deductible Health Plans and Health Savings Accounts, and the persons/dependents that may be insured under such plans and accounts.*

Issue State: Michigan

## Limitations and Exclusions

---

### Hospital Select® II

Confinement for the same or related condition within 30 days of discharge will be treated as a continuation of the prior confinement. Successive confinements separated by more than 30 days will be treated as a new and separate confinement.

No benefits under this contract will be payable as the result of the following:

- rest care or rehabilitative care and treatment.
- immunization shots and routine examinations such as: physical examinations, mammograms, Pap smears, immunizations, flexible sigmoidoscopy, prostate-specific antigen tests and blood screenings (unless Wellness Indemnity Benefit Rider is included).
- any pregnancy of a dependent child including confinement rendered to her child after birth.
- routine newborn care (unless Wellness Indemnity Benefit Rider is included).
- hospital confinement of a newborn child following the child's birth, unless the newborn child is being treated for accidental injury or sickness.
- an insured person's abortion, except for medically necessary abortions performed to save the mother's life.
- treatment of mental or emotional disorder (unless Inpatient Mental and Nervous Disorder Indemnity Benefit Rider is included).
- treatment of alcoholism or drug addiction (unless Inpatient Drug and Alcohol Addiction Indemnity Benefit Rider is included).
- treatment of autism spectrum disorders.
- participation in a felony, riot, or insurrection, if such participation rises to the level of a misdemeanor or felony.
- any accident caused by the operation of a vehicle, while intoxicated (intoxicated means that condition as defined by the law of the jurisdiction in which the accident occurred).
- dental care or treatment, except for such care or treatment due to accidental injury to sound natural teeth within 12 months of the accident and except for dental care or treatment necessary due to congenital disease or anomaly.
- sex change, reversal of tubal ligation or reversal of vasectomy.
- artificial insemination, in vitro fertilization, and test tube fertilization, including any related testing, medications or physician's services, unless required by law.
- any loss to which a contributing cause was the insured person's commission of or attempt to commit, a misdemeanor or felony or to which a contributing cause was the insured person being engaged in an illegal occupation.
- traveling in or descending from any vehicle or device for aerial navigation, except as a fare-paying passenger in an aircraft operated by a commercial airline (other than a charter airline) on a regularly scheduled passenger trip.
- any loss incurred on active duty status in the armed forces. (If you notify us of such active duty, we will refund any premiums paid for any period for which no insurance is provided as a result of this exception.)
- voluntary involvement in any war or act of war, whether declared or undeclared.
- payment of any claim, bill, or other demand or request for payment for health care services that the appropriate regulatory board determines were provided as a result of a prohibited referral.
- an accident or sickness arising out of or in the course of any occupation for compensation, wage or profit or for which benefits may be payable under an Occupational Disease Law or similar law, whether or not application for such benefits has been made.

### Conversion Option

If an employee loses eligibility for this insurance for any reason other than fraud or nonpayment of premiums or termination of the Group Master Policy, they will have the option to convert this group insurance to an individual critical illness policy by submitting an application and the first month's premium to us within 31 days after loss of eligibility. We will bill the employee directly once we receive notification to continue insurance.

## Limitations and Exclusions

---

### Termination of Insurance

The insurance terminates on the earliest of:

- the insured's death.
- the premium due date when we fail to receive a premium, subject to the grace period.
- the date of written notice to cancel insurance.
- the date the policy terminates.
- the date the insured ceases to be eligible for insurance.

Dependent insurance ends on the earliest of:

- the date the insured's insurance terminates for any of the reasons above.
- the date the dependent no longer meets the definition of a dependent.
- the premium due date when we fail to receive a premium, subject to the grace period.
- the date of written notice to cancel insurance.
- the date the policy is modified so as to exclude dependent insurance.

The insurance company has the right to terminate the insurance of any insured who submits a fraudulent claim.

Termination will not impact any claim which begins before the date of termination.

### Hospital Confinement Indemnity Benefit Rider:

We will not pay benefits under this rider for an emergency room stay, an outpatient stay or a stay in an observation unit or recovery room. We also will not pay a hospital confinement benefit for a newborn child's stay in the hospital unless the newborn child is confined to the hospital and is being treated for an accidental injury or sickness.

## Disclosures

---

### **GROUP BENEFITS DISCLOSURE POLICY**

Transamerica Employee Benefits (TEB) is a unit of Transamerica Life Insurance Company and Transamerica Financial Life Insurance Company. TEB markets and administers voluntary insurance benefits through licensed insurance agents. These agents are typically appointed to sell our products, and products of other providers, and receive various forms of compensation from us for the services provided. We believe our compensation arrangements with our agents are conducted with honesty, fairness and integrity. In addition, we realize that having trusted relationships between our agents and our customers is essential to all involved. To ensure this trust continues and to address any concerns within the industry, we have outlined our policy on agent compensation disclosure.

TEB's policy supports transparency and full disclosure of agent compensation to our customers and prospective customers. In addition, we have put controls in place to facilitate this disclosure and obligate our agents to disclose compensation information to customers: 1) when asked by a customer; 2) when receiving both a fee from the customer and compensation from TEB; and 3) when otherwise required by law. Agents must comply with all applicable laws in the sale of TEB products, including any pertaining to the disclosure of compensation information.

TEB's Group Benefits Compensation Disclosure Notice (below) describes the various means by which agents may be compensated for the sale of our products. It is the responsibility of your agent to share specific information with you about his or her compensation arrangements with TEB. Accordingly, please direct any compensation disclosure questions directly to your agent.

### **COMPENSATION DISCLOSURE NOTICE TO ALL POLICYHOLDERS**

Agents who sell and service our products are paid a commission. It varies by the type of insurance policy sold and the state where the policy was sold, and is based on a percentage of the premium received in the first year, and at policy renewal. Agents may receive advances or loans against anticipated commissions for cases sold or to be sold. These advances may or may not require the payment of interest, depending upon the agent's total business and historical experience with TEB.

Agents may receive other compensation from TEB in the form of cash or non-cash awards or prizes, based upon a variety of factors that may include the level of premium written or earned, persistency and growth of premium, or other performance measures. Agents who manage, supervise or recruit other agents or wholesale our products and services to other agents, may receive commission overrides on business that results from their efforts.

Some of our agents may receive additional payments for providing services in connection with the administration of our products. Fees for such services may be calculated on a per policy or per certificate basis or upon the premium volume associated with a specific case. TEB may additionally reimburse these agents/administrators for certain expenses, such as the cost of mailings.

Agents may occasionally obtain exclusive rights to market TEB products or services to agents, employers, employees, or members of associations or unions. Certain groups or associations may also agree to endorse TEB's products to their members. TEB may pay a fee for these exclusive marketing rights or endorsements. See your proposed policy documents or policy certificate package for more information on any such arrangements.

Up to date information regarding our compensation practices can be found in the Disclosures section of our website at: [www.tebcs.com](http://www.tebcs.com).