

Generic Product Definitions
Rev 06/05/2013

Please review the Website Disclaimer for important information about the contents of this page.

Accident

Accident coverage is designed to help cover the expenses associated with a covered accidental injury. Benefits are paid directly to you, unless you specify otherwise, regardless of any other insurance you may have with another company. Benefits of the accident coverage may include payment for days in the hospital, medical and surgical expenses, and accidental death and dismemberment.

When shopping for an Accident policy, consider asking:

- What are the benefits?
- How are pre-existing conditions covered?
- When does coverage begin?
- Is there a waiting period?
- Are On-the-Job accidents treated differently from Off-the-Job accidents?
- Is there a disability coverage? (see disability definition).
- What additional coverage is available?

Cancer

When a covered individual is diagnosed with cancer, benefits may be provided for hospital confinement, radiation, chemotherapy and surgery, among others. A cancer policy also helps by providing benefits to help with the many non-medical expenses associated with cancer. Benefits may be paid as expense incurred, per diem or a lump sum. Cancer policies may also pay an optional Initial Diagnosis benefit or First Occurrence benefit when a covered individual is first diagnosed as having internal cancer. Some policies may also cover preventative exams.

When shopping for a Cancer plan, consider asking:

- How are pre-existing conditions covered?
- How are the benefits paid?
- When does coverage begin?
- Is there a waiting period?
- Does it pay an Initial Diagnosis benefit or First Occurrence benefit?
- Does it cover preventative screenings?
- What are the limits on chemotherapy (Daily or Annual)?

Critical Illness

Critical Illness coverage pays a lump sum payment for a covered "critical illness". Critical Illness coverage is designed to provide financial protection to individuals following the diagnosis or treatment of a covered illness. Some of the most common covered critical illnesses are: Cancer, Heart Attack, Stroke, End Stage Renal Disease, Quadriplegia, Coronary Artery Bypass Surgery, Balloon Angioplasty, Stent, or Laser Relief Obstruction Procedures.

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When shopping for a Critical Illness Care Policy, consider asking:

- What illnesses are covered?
- When does coverage begin?
- When are you eligible for benefits?
- How are benefits paid?
- How long will benefits be paid?
- What riders are available?
- Is the policy based on life insurance or health insurance?

Dental

A Dental Plan provides basic, preventive and major dental benefits to covered individuals. Eligible treatments are usually listed by ADA (American Dental Association) code. There are three major types of Dental Plans.

1. Discount plans - offer a discount for services when using a participating dentist.
2. Prepaid plans - dentists charge less because they are either receiving a percentage of the premium or a negotiated fee from the insurance company.
3. PPO/Indemnity plans - may allow you to choose any dentist.

When shopping for a Dental plan, consider asking:

- What benefits are covered?
- How are pre-existing conditions covered?
- When does coverage begin?
- Are there any waiting periods or deductibles?
- Can I go to any dentist?
- How are claims paid & filed?

Disability Income

Disability Income coverage is designed to replace a portion of income if you become disabled due to a covered accident or sickness. Benefits are usually paid in addition to sick leave and may be paid in addition to workers compensation. Pregnancy is covered as any other sickness. Some disability income coverage is for accidents only; this coverage may offer an additional rider for a disability due to sickness.

When shopping for a Disability policy, consider asking:

- How are pre-existing conditions covered?
- When does coverage begin?
- How long do you have to be out before benefits begin? (Called the Elimination Period.)
- What is the maximum the policy will pay? (The benefit period.)
- Is sickness covered? Pregnancy? Stress or emotional problems?
- Does it pay in addition to workers compensation?
- What is the definition of a disability?
- Is a partial disability covered?
- How are the benefits paid?

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Heart or Hospital Confinement Indemnity

A Heart or Hospital Confinement Indemnity coverage pays a fixed dollar amount for hospital confinement. Some may pay one lump sum upon admission while others pay a fixed amount for each day the individual is confined to the hospital, and/or some combination of the two. This coverage pays benefits directly to you, unless you specify otherwise, regardless of any other insurance you may have with another company. Some policies offer riders covering both in-patient and outpatient care.

When shopping for a Heart or Hospital Confinement Indemnity plan, consider asking:

- How are pre-existing conditions covered?
- When does coverage begin?
- How long do you have to be in the hospital to receive benefits?
- Is there a maximum number of days covered?
- Does it cover just accidents or accidents and sickness?
- If sickness is covered, then what type of sickness is covered?

Identity Theft

Identity Theft is the crime of stealing personal or financial information of another person with the intention of using that information fraudulently. The most common forms of Identity Theft are credit, character, driver's license, medical and employment. This is not an insurance product but rather a service plan. There are different types of Identity Theft services available. Please see the membership contract for limits of services and waiting periods.

When shopping for an Identity Theft service, consider asking:

- How are pre-existing needs covered?
- When does coverage begin?
- Is there a waiting period?
- Who is covered by the policy?
- Does the monitoring service cover a single credit card or my entire credit file?
- Does the service provide restoration of my identity?

Intensive Care

Hospital Intensive Care coverage pays a daily benefit for each day you are confined in an intensive care unit up to the maximum number of days stated. Benefits are paid directly to you, unless you specify otherwise, regardless of any other insurance you may have with another company.

When shopping for a Hospital Intensive Care Policy, consider asking:

- How are pre-existing conditions covered?
- When does coverage begin?
- What, if any, benefits are payable for step-down units?
- How long do you have to be in the intensive care unit to receive benefits?
- Is there a maximum number of days covered?
- Does it cover just accidents or accidents and sickness?

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Legal Service

There are different types of legal services. One type is a pre-paid legal service in which a membership is to your attorney and legal needs like medical insurance is to your doctor and hospital needs. Plans offer such services as consultation, correspondence, will preparation and representation for moving traffic violations, lawsuits and IRS audits. Preferred member discounts are also available for other legal needs. This is not an insurance product but rather a service plan. Please see the membership contract for limits of services and waiting periods.

When shopping for a Legal service, consider asking:

- Who is covered in a family legal plan?
- How are pre existing needs covered?
- What is the contract period?
- Is there a waiting period?
- Can I use any attorney?

Life Insurance

Life insurance provides a benefit to the beneficiary in the event of your death. Policy features may offer cash values, waiver of premium payments in the event of disability, and accelerated death benefit in the event of a terminal illness. There are 2 major types of Life Insurance.

1. **Term Life Insurance** – Term life insurance furnishes life insurance protection for a limited number of years. The face amount of the policy is payable only if the insured's death occurs during the stipulated term.
 - a. **Renewability** means the policy contains an option that permits the policy owner to continue the policy for a limited number of additional periods of protection to a stipulated termination age.
 - b. **Convertibility** means the policy may be exchanged for another type of insurance at any time up to the expiration of the conversion terms of the policy.
2. **Whole Life Insurance** – Provides for the payment of the face amount upon the insured's death regardless of when death occurs. The face amount payable and premium payments generally remain level throughout the premium payment period, which is assumed to be to age 100. Future mortality costs are prefunded through the accumulation of cash values, which must build to equal the policy face amount, usually by age 100. Cash values are available to the policy owner at any time by surrendering the policy, or by obtaining a loan from the insurer for amounts up to the cash value. The two most common forms of whole life insurance are:
 - a. **Ordinary** – Can be either guaranteed cost or participating. Both afford permanent protection at a relatively modest annual outlay. All elements of a guaranteed cost policy are set at policy issue and will not change throughout the life of the policy. Participating policies are generally priced more conservatively, especially with respect to future interest rates, and may demonstrate a higher initial premium than guaranteed cost. Over time, the impact of a participating policy's excess interest credits returned in the form of dividends will tend to make it's long-run cost comparable or better than an otherwise similar guaranteed cost policy.
 - b. **Universal** – Flexible-premium, adjustable-death benefit life insurance. Policy owner may choose the amount and timing of future premium payments after an initial required minimum. Future required premiums to maintain the original face amount will depend upon the amount and timing of premium payments, and the actual mortality, interest and expenses experienced by the insurance company.

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When shopping for Life Insurance, consider asking:

- What are the differences between Term, Universal Life, and Whole Life?
- Are Term Insurance Premiums guaranteed and how often may they increase?
- How long will a Universal Life policy stay in force if premiums are paid?
- Does the policy include Waiver of Premium or Accelerated Death Benefits?
- What riders are available?
- Are benefits available until death up to any age?

Coverages have exclusions and limitations that may affect benefits payable. See your insurance representative for complete details.

Long Term Care

Long Term Care coverage is designed to provide services for people with a long physical illness, a disability, or a cognitive disorder (such as Alzheimer's Disease). These services help people with chronic conditions overcome limitations that keep them from being independent helping them maintain a level of functioning, as opposed to improving or correcting a medical condition. Long Term Care services include, but are not limited to, help with activities of daily living, home health care, respite care, adult day care, nursing home care and assisted living care.

When shopping for Long Term Care Insurance, consider asking:

- How are pre-existing conditions covered?
- What services are covered?
- When does coverage begin?
- When are you eligible for benefits?
- How are benefits paid?
- How long will benefits be paid?
- What riders are available?

Vision

A Vision Plan provides coverage for routine, preventive eye care such as eye exams, eyewear, and other services at a reduced cost to covered individuals. The benefits are generally offered every 12 or 24 months. There are two basic vision plans that are available.

1. Discount Benefit Plans – The member receives discounted vision services after paying an annual fee, and possibly, a deductible.
2. Benefit Packages – This plan pays for the entire cost of covered eye care, with the exception of predetermined co-pays and deductibles. The members are required to pay annual or monthly premiums.

When shopping for a Vision plan, consider asking:

- What benefits are covered?
- What is the frequency of service?
- When does coverage begin?
- Is there a waiting period?
- Are there any deductibles or co-pays?
- Can I go to any eye doctor?
- Are there any restrictions on material purchases?
- How are claims paid & filed?