

Group Critical Illness Advantage Insurance

Benefits Proposal

This proposal has been
prepared for:

Wake County Government

Presented by:

Aflac Group

Proposal State:

NC

Presentation Date:

10/1/2015

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Continental American Insurance Company (CAIC)
A proud member of the Aflac family of insurers.
Policy Form Series C21000

Plan Description

The Aflac Group Critical Illness Plan provides cash benefits when an insured person is diagnosed with or treated for a covered critical illness—and these benefits are paid directly to your employees (unless they choose otherwise). The plan provides a lump-sum benefit to help with out-of-pocket medical expenses and the living expenses that can accompany a covered critical illness. It is also H.S.A.-compatible.

Features and Plan Provisions (specific provisions descriptions may vary by state)	
Benefit Amounts	Employee: High (\$20,000) or Low (\$10,000) Spouse: High (\$10,000) or Low (\$5,000) Child: 50% of the employee's face amount
Spouse Coverage	Up to 50% of the face amount elected by the employee
Guaranteed Issue Amounts	Employee: <u>all</u> amounts offered (see above) Spouse: all amounts offered (see above) Participation Requirement: \$ waived Guaranteed for 3 years
Requirement for Group Billing	25 payors
Payment Method	Payroll Deducted
Pre-existing Condition Exclusion	None
Waiting Period	None
Benefit Reductions	No reduction at any age
Rate Guarantee	3 Years
Portability/Continuation	Enhanced Portability (An employee's coverage may be continued when eligibility or employment ends.)
Rate Type	Issue Age
Eligibility	Work Week Hours Employee must work at least 16 hours per week. Length of Employment None; set by employer
Waiver of Premium	After 90 days of total disability for an employee due to a covered critical illness, premiums waived for the insured and any covered dependents up to 24 months
Separation Period - Additional Diagnosis/ Reoccurrence	Additional Diagnosis: 6 consecutive months Reoccurrence: 6 consecutive months (for a cancer diagnosis, treatment-free from cancer for at least 12 months and in complete remission before the date of a subsequent cancer diagnosis)
Successor Insured	Included
Issue Ages	Employee: 18+ Spouse: 18+ Children: Under age 26

Plan Benefits

(Descriptions of specific provisions may vary by state.)

Coverage Type	Covered Conditions and Additional Benefits	Benefit Amount
Base Benefits	Coronary Artery Bypass Surgery, Non-Invasive Cancer	25%
	Heart Attack, Stroke, Kidney Failure (End-Stage Renal Failure), Major Organ Transplant, Bone Marrow Transplant (Stem Cell Transplant), Sudden Cardiac Arrest, Cancer (Internal or Invasive)	100%
Skin Cancer	Skin Cancer	\$250 per calendar year
Health Screening Benefit	Payable for health screening tests performed as the result of preventive care. Not payable for dependent children.	\$100 per calendar year
Additional Base Benefits	Coma, Severe Burns, Paralysis, Loss of Sight, Loss of Speech, Loss of Hearing	100%
Heart Event Rider	Category I* - Specified Surgeries of the Heart: Additional Coronary Artery Bypass Surgery Benefit (When this benefit is added to the partial benefit in the certificate, the result is a 100% benefit for coronary artery bypass surgery.)	75%
	Category I* - Specified Surgeries of the Heart: Mitral Valve Replacement or Repair, Aortic Valve Replacement or Repair, Surgical Treatment of Abdominal Aortic Aneurysm	100%
	Category 2* - Invasive Procedures and Techniques of the Heart): AngioJet Clot Busting, Balloon Angioplasty (or Balloon valvuloplasty), Laser Angioplasty, Atherectomy, Stent Implantation, Cardiac Catheterization, Automatic Implantable (or Internal) Cardioverter Defibrillator, Pacemakers	10%
	<i>*Benefits from each category are payable once per calendar year, per insured. If Category I and Category II procedures are performed at the same time, benefits will be payable only at the highest benefit level and will not exceed the percentage shown</i>	
Optional Benefits Rider	Advanced Alzheimer's Disease, Advanced Parkinson's Disease	25%
	Benign Brain Tumor	100%
Progressive Disease Rider	Amyotrophic Lateral Sclerosis (ALS), Multiple Sclerosis	100%
Specified Diseases Rider	Addison's Disease, Cerebrospinal Meningitis, Diphtheria, Huntington's Chorea, Legionnaire's Disease, Malaria, Muscular Dystrophy, Myasthenia Gravis, Necrotizing Fasciitis, Osteomyelitis, Poliomyelitis (Polio), Rabies, Sickle Cell Anemia, Systemic Lupus, Systemic Sclerosis (Scleroderma), Tetanus, Tuberculosis	25%
Activities of Daily Living/Skilled Nursing Rider	Activities of Daily Living*	\$1000 per month
	Skilled Nursing Facility Benefit*	\$1000 per month
	<i>*Benefits payable up to a lifetime maximum of 60 months per insured. Only one benefit is payable at a time.</i>	

Childhood Conditions Rider	Cystic Fibrosis, Cerebral Palsy, Cleft Lip or Cleft Palate, Down Syndrome, Phenylalanine Hydroxylase Deficiency Disease (PKU), Spina Bifida , Type I Diabetes	50% of employee benefit
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Benefits will be based on the face amount in effect on the critical illness date of diagnosis.

Please request a sample policy for full benefit descriptions and definitions.

Group Critical Illness Benefits

(Applies to Base Benefits, Additional Critical Illnesses, Optional Benefits Rider, Progressive Diseases Rider, and Specified Diseases Rider)

Where applicable, covered conditions must be caused by underlying diseases as defined in the plan.

Initial Diagnosis+

An insured may receive up to 100% of his face amount upon the diagnosis of a covered critical illness.

Additional Diagnosis+

Once benefits have been paid for a covered critical illness, we will pay benefits for each different critical illness when the date of diagnosis is separated by at least 6 consecutive months and the new critical illness is not caused or contributed to by a critical illness for which benefits have been paid.

Reoccurrence+

Once benefits have been paid for a covered critical illness, benefits are payable for that same critical illness when the date of diagnosis is separated by at least 6 consecutive months and the new critical illness is not caused or contributed to by a critical illness for which benefits have been paid.

+ If the claim is for a cancer diagnosis, the insured must be treatment-free from cancer for at least 12 months and must be in complete remission before the date of a subsequent cancer diagnosis.

Group Critical Illness Advantage

Wake County Government - Semimonthly (24pp/yr) Rates

NONTOBACCO - Employee		
Issue Age	\$10,000	\$20,000
18-29	\$ 4.65	\$ 7.77
30-39	\$ 6.17	\$ 10.80
40-49	\$ 11.06	\$ 20.41
50-59	\$ 19.14	\$ 36.00
60+	\$ 33.89	\$ 64.67

NONTOBACCO - Spouse		
Issue Age	\$5,000	\$10,000
18-29	\$ 2.94	\$ 4.35
30-39	\$ 3.70	\$ 5.87
40-49	\$ 6.24	\$ 10.76
50-59	\$ 10.57	\$ 18.84
60+	\$ 18.35	\$ 33.59

TOBACCO - Employee		
Issue Age	\$10,000	\$20,000
18-29	\$ 5.95	\$ 10.35
30-39	\$ 9.12	\$ 16.66
40-49	\$ 17.54	\$ 33.16
50-59	\$ 31.83	\$ 60.58
60+	\$ 57.08	\$ 109.46

TOBACCO - Spouse		
Issue Age	\$5,000	\$10,000
18-29	\$ 3.60	\$ 5.65
30-39	\$ 5.20	\$ 8.82
40-49	\$ 9.59	\$ 17.24
50-59	\$ 17.30	\$ 31.52
60+	\$ 30.74	\$ 56.78

Base Plan:

-With Cancer Benefit
 -\$100 Health Screening Benefit
 -\$250 Skin Cancer Benefit
 -With Additional Benefits
 (Loss of Sight, Speech, Hearing)
 (Coma, Burns, Paralysis)

Riders:

-Optional Benefits Rider (BTAP)
 -Heart Rider
 -Progressive Diseases Rider
 -Specified Disease Rider
 -Childhood Conditions Rider
 -\$1000 ADL/Skilled Nursing Rider

Provisions:

-No Pre-Existing Condition Limitation
 -Add'l Separation Waiting Period: 6 Months
 -Re-Separation Waiting Period: 6 Months
 -Process 1 Portability
 -Rate Guarantee: 3 Years

Group Attributes:

-Situs State: NC
 -Eligible Lives: 3600

Please Note: Premiums shown are accurate as of publication. They are subject to change.

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Series C21000

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Limitations and Exclusions

(Applies to all riders. Descriptions of specific provisions may vary by state.)

Cancer Diagnosis Limitation

Benefits are payable for Cancer and/or Non-Invasive Cancer as long as the Insured:

- Is treatment-free from cancer for at least 12 months before the diagnosis date; and
- Is in complete remission prior to the date of a subsequent diagnosis, as evidenced by the absence of all clinical, radiological, biological, and biochemical proof of the presence of the cancer.

Exclusions

We will not pay for loss due to any of the following:

Self-Inflicted Injuries – injuring or attempting to injure oneself intentionally or taking action that causes oneself to become injured.

Suicide – committing or attempting to commit suicide, while sane or insane.

Illegal Acts – participating or attempting to participate in an illegal activity, or working an illegal job

Conflict – Participation in Aggressive Conflict of any kind including war (declared or undeclared) or military conflicts, insurrection or riot, or civil commotion or civil state of belligerence.

Substance Abuse – Illegal substance abuse which includes abuse of legally-obtained prescription medication or use of non-prescription drugs.

Diagnosis, treatment, testing, and confinement must be in the United States or its territories. All benefits under the plan, including benefits for diagnoses, treatment, confinement and covered tests, may be payable only while coverage is in force.

Notices

This proposal is a brief description of coverage, not a contract. Read your policy and riders (as applicable) carefully for exact plan language, terms, and conditions. The coverages provided by Continental American Insurance Company (CAIC) represent supplemental benefits only. They do not constitute comprehensive health insurance coverage and do not satisfy the requirement of minimum essential coverage under the Affordable Care Act.

If this coverage will replace any existing individual policy, please be aware that it may be in your employees' best interest to maintain their individual guaranteed-renewable policy.

Continental American Insurance Company is not aware of whether any employees receive benefits from Medicare, Medicaid, or a state variation. If any employees or dependents are subject to Medicare, Medicaid, or a state variation, any and all benefits under this plan could be assigned. This means that any such employees may not receive any of the benefits in the plan. As a result, employees should please check the coverage in all health insurance policies those employees already have or may have before such employees buy this insurance to verify the absence of any assignments or liens.

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