

### MEDlink® II Plan Highlights

MEDlink® II, a Supplemental Medical Expense Insurance plan, is designed to help provide supplemental coverage to employees who are covered under their employer's major medical plan for incurred out-of-pocket expenses such as: Deductibles, Co-Insurance and Co-payments for In-hospital and Out-patient charges.

➤ Plan Highlights

- **No Medical Underwriting**
- Assignment of Benefits direct to provider (provider must file claims)
- ID Card provided to each employee
- May be included under Section 125 plans
- Can be sold as In-patient benefit only
- Plan Benefit runs on a Calendar Year
- Benefits Payable after primary medical plan has paid
- The combined benefit for In-Hospital & Outpatient services cannot exceed the Maximum In-hospital Benefit provided in the Base Policy
- COBRA continuation provision for terminating employees

➤ Participation Guidelines

- Voluntary plans – need minimum of 10 insured lives
- Employer paid plans – 100% participation
- 5-9 groups must have 100% participation of all eligible employees
- Eligible means active full time employees enrolled on underlying medical plan working at least 18 hours or more per week
- Pre-existing conditions will be waived when 50% participation of eligible employees is achieved at initial submission; otherwise preexisting conditions will not be covered for the first 12 months. The preexisting period is 12 months prior to the effective date of coverage.

Inpatient Benefits

Optional Outpatient Hospital Benefit Rider

✓	Inpatient Hospital Stays 18 Hours or longer	✓	Surgery in Hospital outpatient facility or free-standing outpatient surgery center
✓	Inpatient Surgery (up to limit of policy)	✓	Radiological diagnostic testing in hospital outpatient facility or MRI facility
✓	Physician's in-hospital charges (up to limit of policy)	✓	Treatment in Hospital emergency room for sickness or accident
✓	Treatment of Mental illness disorders up to 30 days per calendar year	✓	Out-patient treatment of mental illness in hospital outpatient facility up to 30 days/yr
✓	Choose from Benefit amounts \$1000 to \$10,000 per calendar year.	✓	Choose from Benefit amounts \$500 to \$2500 not to exceed 50% of Inpatient Benefit

*This policy contains Limitations and Exclusions. Please refer to brochure for complete details.*

*Outpatient Deductible applies for each incident separated by 24 hours  
Choice of \$100 or \$500 deductible on Outpatient Benefit*

➤ Plan Design Requirements

- Inpatient Plan Maximum must be greater than or equal to 100% of the underlying medical plan deductible and less than or equal to the underlying medical plan out-of-pocket maximum.
- Outpatient Hospital Benefit Rider benefit may be less than 50% of the base policy benefit, it may not exceed 50% of the base policy benefit.

➤ Non-Covered Expenses\*

- Procedures performed in the Physician's office (including surgeries)
- Prescription Drugs (unless inpatient at hospital)
- Durable Medical Equipment
- Well baby nursery care
- Air or Group Ambulance
- Diagnostic Testing performed in a physician's office or clinic

*\*Refer to policy/certificate for complete list of limitations and exclusions*

➤ **Issue Ages**

- 18-69 (groups of less than 20 lives)
- 18 and over (groups of 20 lives or more)
- Coverage terminates at age 70 for employees of groups with less than 20 lives (no termination age for groups with 20 lives or more).
- Premium rates are based on age of entry into the plan and will not increase with attained age.
- Premiums will be recalculated at attained age for plan changes.

➤ **Individual Eligibility**

- Individuals must be covered under the employer's group medical plan.
- Active full time employees working at least 18 hours per week and eligible dependents (see sales brochures MEDlink® II (11/06).
- Individuals covered under Medicaid, Medical Savings Accounts or HSAs are not eligible.
- Individuals covered under the employer's group medical plan and Medicare should be discouraged from enrolling in the MEDlink II® plan.
- Retirees are not eligible except for those who continue their group medical policy through COBRA and are under the age of 65. These retirees will be covered for no more than the COBRA benefit period allowed by law.
- Individuals may not be covered under similar limited benefit group medical, hospital, or surgical supplements with American Public Life or American Fidelity Assurance Company.
- Individuals must be United States residents.

➤ **Rating Information:**

- Employer-employee relationship must exist
- Groups with 10 or more applications at submission may use Preferred Rates, while groups with 5-9 applicants must use Standard Rates and have 100% participation. All groups must maintain a minimum of 5 insured lives at renewal to avoid termination.
- Government cases must use Standard Rates. Government groups consist solely of City, County and State governments, but do not include school districts or other federal or state funded/supported agencies.
- Must have comprehensive Major Medical plan that includes cost containment features (CHAMPUS/TRICARE, Medicaid, and Medicare are not considered comprehensive medical coverage).
- Groups with an HMO plan must be submitted to the APL Underwriting Department for review and approval. The HMO must produce an Explanation of Benefits and itemized charges and be structured to fit with a MEDlink® plan.
- Groups of 1000 or more eligible lives require Home Office approval.
- Only one benefit plan is available in each group. If the employer's medical plan offers more than one option, consult with the Home Office Underwriting Department.
- In Florida, groups must have 51 or more eligible insureds and a minimum group size of 10 insureds.

➤ **Excluded Industries by SIC Code**

Fertilizer, Pesticides, Chemicals, Explosives (includes manufacture of above)	287x-2892
Asbestos Workers	3292
Taxicab Drivers	4121
Sewage, Refuse, Sanitary Services	495x
Bars, Taverns, Pubs	5813
Liquor Stores, Pawn shops	5921
Casinos	70xx
Barber and Beauty Shops	72xx (w/o 722x, 726x-7291)
Theater, Video Rental, Motion Pictures	78xx
Amusement/Recreational services	79xx
Legal Services	81xx
Membership Organizations, Religious groups, Labor Unions	86xx
Federal employees	
Government Funded Groups (unless employer paid)	
Seasonal businesses	

➤ **Submission Requirements**

- Fully completed Master Application
- Fully completed Employer Agreement
- Individual enrolment forms
- Completed New Business Transmittal Form
- Copy of current Major Medical carrier billing and benefit summary
- Signed Acknowledgment Form