



HOSPITAL INDEMNITY INSURANCE FOR



A personalized guide to understanding your Hospital Indemnity coverage



HOSPITAL INDEMNITY INSURANCE

Benefit Summary



What is Hospital Indemnity Insurance?

This coverage pays you for benefits for hospitalizations associated with covered accidents or sicknesses. Carrying this insurance helps protect you and your family from the financial challenges that can come from a hospitalization.



Use your benefits any way you like.

Benefit proceeds can be used however you like, whether it's toward out-of-pocket medical expenses, your mortgage or student loans. It's up to you.



Who can be covered?

The coverage offered by your employer allows you to insure yourself, and your spouse and children. Note that you may only cover other family members if you are insured by this coverage yourself.

5.4 days

The average hospital stay¹

\$20,292

Average total cost of treatment for pneumonia with major complications & one or more additional conditions²

More than

\$4,500

The average a new mother with insurance will pay for labor and delivery³





What's the difference between health insurance & Hospital Indemnity Insurance?

Health insurance covers certain medical expenses and pays your provider directly, but may leave you responsible for some costs. The amount paid depends on your coverage, the type of care and whether you've hit your out-of-pocket maximum.

Hospital Indemnity Insurance is supplemental coverage that complements your health insurance and can help cover your out-of-pocket expenses. The benefit amount you receive is based on the type of hospitalization, is paid directly to you and can be used however you like.

Let's say you carry both health insurance and Hospital Indemnity Insurance, and you are admitted and confined to the hospital with pneumonia. Your health insurance will pay the treating providers for some or all of your medical expenses. Your Hospital Indemnity Insurance will pay you directly for the covered hospitalization benefits. Depending on your coverage, this could include an ambulance ride, admittance to the emergency room, x-rays and/or a daily hospitalization benefit. The Hospital Indemnity benefits paid could then be used any way you like, such as to cover out-of-pocket medical expenses, replace lost income or pay your mortgage.

Coverage highlights:

- No health questions asked
- Affordable coverage that fills gaps many core health plans do not cover
- A range of HSA-compatible benefits*
- Convenient payroll deductions
- Simplified claims-filing with dedicated support
- If you leave your employer, you may be able to take your coverage with you at the same rate

TOP 5 HOSPITALIZATIONS

1. Live birth
2. Blood poisoning (septicemia)
3. Osteoarthritis
4. Heart failure
5. Chronic obstructive pulmonary disease & bronchitis⁴

*Not all benefits are HSA-compatible. This is not legal or tax advice. Please contact a tax professional with any HSA-related tax questions.



How does it work?

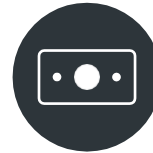
When you carry Hospital Indemnity Insurance and have a covered hospitalization, you are paid a total cash benefit based on the benefit amounts and limitations listed for each covered benefit and/or treatment. Check your benefit schedule for more details about what is covered under your group's plan.



Choose to enroll in Hospital Indemnity coverage through your employer.



File a Hospital Indemnity claim for a qualifying hospitalization or related benefit online, over the phone or via US mail or fax.



Benefits are paid directly to you based on the type of hospitalization and associated treatments.

BENEFIT SNAPSHOT: SOFIA'S BIRTH STORY



Things had been going well with Sofia's pregnancy, until one night during her eighth month when she unexpectedly went into labor. After being rushed to the hospital, Sofia delivered her baby boy via emergency cesarean. Four days later, they were discharged. Fortunately, Sofia carried Hospital Indemnity coverage through her employer, which helped offset their medical expenses and her time away from work.

Sofia's coverage paid these benefits:

Hospital admission - Sofia:	\$1,000
Daily confinement – Sofia (4 days):	\$600
Total benefits paid:	\$1,600



BENEFIT SNAPSHOT: WILL'S PNEUMONIA



Will had never faced any serious health problems and liked to think it was because of how well he took care of himself. Then one year, during a particularly bad flu season, Will found himself unable to kick a nasty bug. Several days into a fever, when he couldn't catch his breath, Will was taken to the emergency room, where he was evaluated and admitted for pneumonia. Five days later, he was able to go home. Will used the benefits paid by his Hospital Indemnity Insurance to help cover his out-of-pocket medical expenses and time away from work.

Will's coverage paid these benefits:

Hospital admission:	\$1,000
Daily hospital confinement:	\$800
Total benefits paid:	\$1,800

What benefits are included in my coverage?

Your Hospital Indemnity Insurance includes a range of covered hospitalization and related benefits, as outlined below. For additional details, see your certificate.

Core Hospitalization Benefits	Benefit amount
Hospital*	
Admission Benefit*, 1 per year	\$1,000
Daily Confinement*, begins day 2 of confinement	\$200
Maximum number of days per confinement	30
Intensive Care Unit (ICU)*	
Admission Benefit*, 1 per year	\$2,000
Daily Confinement*, begins day 2 of confinement	\$400
Maximum number of days per confinement	30
Specialty Care Benefits	
Inpatient Mental & Nervous Disorder Facility**, up to 30 days per year and 90 per lifetime	\$200
Inpatient Substance Abuse Facility**, up to 30 per year and 90 per lifetime	\$200

* HSA-compatible.

**HSA-compatible if there has been a prior related hospital confinement.



HEALTH SCREENING BENEFIT RIDER* pays a benefit of \$50 one time per year for completing a covered health screening or employer-sponsored wellness initiative. Examples of covered screenings include:

- Hemocult stool analysis
 - Fasting blood glucose test
 - Stress test
 - Serum cholesterol HDL/LDL
 - EKG
 - Smoking cessation program
 - Genetic screening test
 - Chickenpox vaccination
- Routine eye exam
 - Routine dental exam
 - Annual physical
 - Well child visit
 - Biometric screening
 - Flu immunization [†]
 - Breast MRIs
 - PAP smear

Getting vaccinated against the flu reduces the rate of adults being admitted to the ICU by **82%**⁵

* HSA-compatible.
** HSA-compatible if there has been a prior related hospital confinement.

How much does it cost?
See the rate chart below to calculate your coverage costs.

Plan	Employee Only	Employee & Spouse	Employee & Child(ren)	Family
Monthly Rate	\$21.37	\$48.17	\$33.02	\$60.48



How do I enroll?

You can enroll in your company's Accident Insurance during your annual open enrollment, new hire period or because of a qualifying life event.



Who provides my coverage?

Your Hospital Indemnity coverage is provided by Wellfleet, a Berkshire Hathaway company. Wellfleet is focused on providing customer-centric insurance solutions that protect people against risk throughout every stage of life – from birth to college, the workplace and beyond.

Exclusions & limitations

This is not a complete disclosure of plan qualifications and limitations. Benefits and riders may vary by state and may not be available in all states. In addition to any benefit-specific exclusion, benefits will not be paid for any loss, which, directly or indirectly, in whole or part, is caused by or results from any of the following, unless coverage is specifically provided for by name in the insurance certificate:

- An injury incurred while working for pay or profit;
- Intentionally self-inflicted injury, suicide, or any attempt or threat while sane or insane;
- Participating in war or any act of war whether declared or undeclared;
- Commission or attempt to commit a felony;
- Commission of or active participation in a riot, insurrection, or terrorist activity;
- Engaging in an illegal activity or occupation;
- Dental services or treatment except as a result of an injury;
- Flight in, boarding, or alighting from an aircraft or any craft designed to fly above the earth's surface, including any travel beyond the earth's atmosphere except a fare-paying passenger on a regularly scheduled commercial or charter airline;
- Travel in or on any on-road and off-road motorized vehicle except a golf cart that does not require licensing as a motor vehicle;
- Practicing for or participating in any semi-professional or professional competitive athletic contest, including officiating or coaching, for which the covered person receives any compensation or remuneration;
- Treatment associated with childbirth, delivery, and pregnancy, except for complications of pregnancy;
- A disease, bodily infirmity, illness, infection, or any other physical condition that affects the covered person;
- Mental and nervous disorder treatment received on an inpatient and outpatient basis regardless of treatment location;
- Mental and nervous disorder or emotional disorder treatment without regard to organic disease;
- Substance abuse treatment received on an inpatient and outpatient basis regardless of treatment location;
- Travel or activity outside the United States and the territories and possessions of the United States, Canada or Mexico;
- Voluntary intoxication (as defined by the law of the jurisdiction in which such intoxication occurred) due to ingestion or inhalation of any narcotic, drug, poison, gas or fumes, unless prescribed or taken under the direction of a physician and taken in accordance with the prescribed dosage;
- Operating any type of vehicle while intoxicated (as defined by the law of the jurisdiction in which such intoxication occurred) by alcohol or any drug, narcotic or other intoxicant including any prescribed drug for which the covered person has been provided a written warning against operating a vehicle while taking it;
- Experimental or investigational procedures;
- Care that is not recommended and approved by a physician;
- Treatment associated with an elective or cosmetic surgery within the first 1-12 month(s) of the effective date;
- Treatment associated with donating an organ within the first 1-12 month(s) of the effective date;
- Treatment provided to a covered person either by themselves or by a medical professional that is an immediate family member, or has a business or financial affiliation with the covered person or an immediate family member;
- Treatment that was scheduled prior to the coverage effective date except when initially eligible for coverage.

Pre-existing conditions

- Your plan will pay benefits for a pre-existing condition after the coverage has been in force for 12 months.
- Your plan covers pre-existing conditions
- We will not pay benefits for pregnancy, delivery and postpartum care during the 9 months following the coverage effective date.
- There are no waiting periods for pregnancy.
- Benefits for complications of pregnancy will be covered to the same extent as a covered sickness.



Hospital Indemnity insurance is a limited benefit policy. It is not health insurance and does not satisfy the requirement of minimum essential coverage under the Affordable Care Act.

- 1 John Elflein. (Jul 2, 2020.) Retrieved from <https://www.statista.com/statistics/183916/average-length-of-stay-in-us-community-hospitals-since-1993/>
- 2 Claxton, Gary; Cox, Cynthia; Kurani, Nisha; McDermott, Daniel; and Rae, Matthew. (March 13, 2020.) "Potential costs of COVID-19 treatment for people with employer coverage", Peterson – KFF Health System Tracker. Retrieved from: <https://www.healthsystemtracker.org/brief/potential-costs-of-coronavirus-treatment-for-people-with-employer-coverage/>
- 3 Admon, Lindsay; Dalton, Vanessa; A., Fendrick; Kolenic, Giselle; Moniz, Michelle; and Tilea, Anca. (January 2020). "Out-of-Pocket Spending for Maternity Care among Women with Employer-Based Insurance 2008 – 2015". Retrieved from <https://www.theatlantic.com/health/archive/2020/01/how-much-does-it-cost-have-baby-us/604519/>
- 4 Agency for Healthcare Research and Quality (AHRQ), Healthcare Cost and Utilization Project (HCUP) and National Inpatient Sample (NIS). (2017.) Clinical Classifications Software Refined (CCSR) for ICD-10-CM default categorization scheme for the principal diagnosis. Retrieved from: <https://www.hcup-us.ahrq.gov/faststats/NationalDiagnosesServlet>
- 5 Centers of Disease Control & Prevention. (August 1, 2018.) "Study shows flu vaccine reduces risk of severe illness." Retrieved from: <https://www.cdc.gov/flu/spotlights/2017-2018/vaccine-reduces-risk-severe-illness.htm>

This document is meant to highlight some, but not all the features Wellfleet coverage provides. It is not an insurance contract. Wellfleet Workplace Benefits provides limited benefits and is not a substitute for mandated ACA healthcare coverage. Like most supplemental offerings, these benefits may have state-specific variations, and some product offerings and details may not be available in all states. Rates are subject to change. Wellfleet reserves the right to raise premium rates with proper notice, as noted in the policy. For complete details, contact your plan administrator.

Wellfleet is the marketing name used to refer to the insurance and administrative operations of Wellfleet Insurance Company, Wellfleet New York Insurance Company, and Wellfleet Group, LLC. All insurance products are administered or managed by Wellfleet Group, LLC. Product availability is based upon business and/or regulatory approval and may differ among states.

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