

PSEA

Group Benefit Programs



For members of the Pacific Service Employees Association

Critical Illness

GROUP SPECIFIED CRITICAL ILLNESS INSURANCE

FEATURES

- **Lump-sum benefits paid directly to the insured following the diagnosis of each covered specified critical illness.**
- **Each dependent child is covered at 10 percent of the primary insured amount at no additional charge.**
- **Rates cannot be individually increased due to change in age, health or individual claim.**
- **Annual health screening benefits included.**
- **Simplified underwriting—answer only a few health questions.**
- **The plan is portable*—take your coverage with you if you leave your job (with certain stipulations).**

BENEFITS

- ▶ **First Occurrence Benefit** – Lump Sum Benefits payable upon initial diagnosis of a covered illness or condition. Employee benefit amounts: \$5,000 to \$50,000.
- ▶ **Additional Occurrence Benefit** – If an insured collects full benefits for a specified critical illness under the plan and later has one of the remaining covered illnesses/procedures, then we will pay the full benefit amount for each additional illness. Occurrences must be separated by at least 6 months.
- ▶ **Re-Occurrence Benefit** – If you collect full benefits for a covered condition and are later diagnosed with the same condition, we will pay the full benefit again. The two dates of diagnosis must be separated by at least 12 months (12 months treatment free for cancer).
- ▶ **Child Coverage at no Additional Cost** – Each dependent child is covered at 10 percent of the primary insured amount at no additional charge.
- ▶ **Spouse Coverage Available** – You may purchase group specified critical illness coverage for your spouse up to half the employee benefit amount to maximum benefit of \$25,000.
- ▶ **\$50 Health Screening Benefit (employee and spouse only)** – An insured may receive a maximum of \$50 for any one covered health screening test per calendar year. We will pay this benefit regardless of the results of the test. Payment of this benefit will not reduce the amount payable for the diagnosis of a specified critical illness. There is no limit to the number of years the insured can receive the health screening benefit; it will be paid as long as the certificate remains in force. This benefit is payable for the covered employee and spouse. This benefit is not paid for dependent children.
Covered health screening tests include:

- Mammography
- Colonoscopy
- Pap smear
- Breast ultrasound
- Chest x-ray
- PSA (blood test for prostate cancer)
- Stress test on a bicycle or treadmill
- Bone marrow testing
- CA 15-3 (blood test for breast cancer)

COVERED SPECIFIED CRITICAL ILLNESSES

CANCER	100%
CARCINOMA IN SITU	25%
HEART ATTACK (Myocardial Infarction)	100%
CORONARY ARTERY BYPASS SURGERY	25%
STROKE (Apoplexy or Cerebral Vascular Accident)	100%
MAJOR ORGAN TRANSPLANT	100%
RENAL FAILURE (End Stage)	100%

All covered conditions are subject to the definitions found in your certificate.

NOTE: If a benefit is paid for carcinoma in situ, the internal cancer benefit will be reduced by 25%. If a benefit is paid for coronary artery bypass surgery, the heart attack benefit will be reduced by 25%.

- CA 125 (blood test for ovarian cancer)
- CEA (blood test for colon cancer)
- Flexible sigmoidoscopy
- Hemocult stool analysis
- Serum protein electrophoresis (blood test for myeloma)
- Thermography
- Fasting blood glucose test, blood test for triglycerides or serum cholesterol test to determine level of HDL and LDL

QUESTIONS AND ANSWERS

Do I have to take a physical before I am approved for coverage?

No. A physical exam is not normally required for any of the benefit plans.

How are the premiums paid?

Your premiums will be paid through the convenience of payroll deduction. Your employer will deduct and forward the premium to the insurance company. You have no checks to write or postage to pay.

What happens to my coverage if I leave the company?

You can take your coverage with you at the same rates and benefits. Premiums can be deducted automatically from your checking account through convenient automatic bank draft.

Who will receive my benefit payments?

Benefit payments will be paid directly to you or your beneficiary, unless you specify otherwise.

How do I file a claim?

Simply complete the claim forms you receive with your policy certificate and mail to:

Continental American Insurance Company

P.O. Box 427

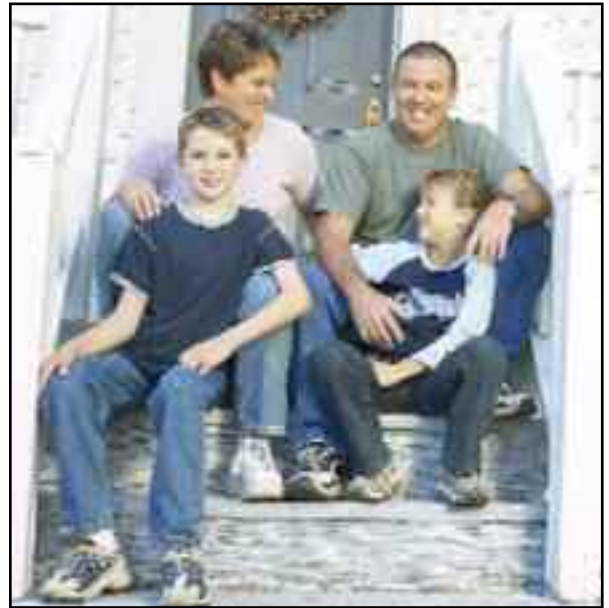
Columbia, SC 29202

You may fax your completed claim forms to Continental American Claims Department at 1-866-849-2970

For assistance with pending claims, please call Continental American at 1-800-433-3036.

Who do I call for customer service?

For additional claim forms or customer service questions, please call Continental American Insurance Company: 1-800-433-3036.



LIMITATIONS AND EXCLUSIONS

GROUP SPECIFIED CRITICAL ILLNESS

If diagnosis occurs after the age of 70, half of the benefit is payable.

The applicable benefit amount will be paid if: the date of diagnosis occurs while the certificate is in force; and the cause of the illness is not excluded by name or specific description.

Benefits will not be paid for loss due to:

1. Intentionally self-inflicted injury or action;
2. Suicide or attempted suicide while sane or insane;
3. Illegal activities or participation in an illegal occupation;
4. War, whether declared or undeclared or military conflicts, participation in an insurrection or riot, civil commotion or state of belligerence;
5. Substance abuse; or
6. Pre-existing conditions.

Pre-existing Condition Limitation

"Pre-existing Condition" means a sickness or physical condition which, within the 12-month period prior to the effective date, resulted in the insured receiving medical advice or treatment.

We will not pay benefits for any condition or illness starting within 12 months of the effective date which is caused by, contributed to, or resulting from a pre-existing condition.

A claim for benefits for loss starting after 12 months from the effective date will not be reduced or denied on the grounds that it is caused by a pre-existing condition. A condition will no longer be considered pre-existing at the end of 12 consecutive months starting and ending after the effective date.

Definitions

Major Organ Transplant

Means undergoing surgery as a recipient of a transplant of a human heart, lung, liver, kidney, or pancreas.

Myocardial Infarction (Heart Attack)

Means the death of a portion of the heart muscle (myocardium) resulting from a blockage of one or more coronary arteries. Heart attack does not include any other disease or injury involving the cardiovascular system. Cardiac Arrest not caused by a myocardial infarction is not a heart attack. The diagnosis must include all of the following criteria: 1. New and serial Electrocardiographic (EKG) findings consistent with Myocardial Infarction; and 2. Elevation of cardiac enzymes above generally accepted laboratory levels of normal [in case of creatine phosphokinase (CPK), a CPK-MB measurement must be used]. 3. Confirmatory imaging studies such as thallium scans, MUGA scans, or stress echocardiograms. 4. Chest Pain.

Stroke

Means Apoplexy (due to rupture or acute occlusion of a cerebral artery), or a cerebral vascular accident or incident, which is first manifested on or after the policy date. Stroke does not include Transient Ischemic Attacks and attacks of Vertebrobasilar Ischemia. We will pay a benefit for Stroke which produces permanent clinical neurological sequela. We must receive evidence of the permanent neurological damage provided from Computed Axial Tomography (CAT scan) or Magnetic Resonance Imaging (MRI). Stroke does not mean head injury, transient ischemic attack or chronic cerebrovascular insufficiency.

Cancer

Means a malignant tumor characterized by the uncontrolled growth and spread of malignant cells and the invasion of distant tissue. Cancer includes leukemia. Excluded are Cancers such as: 1. Pre-malignant tumors or polyps; 2. Carcinoma in Situ (non-invasion); 3. Any skin cancers except melanomas; 4. Stage I Hodgkin's Disease; 5. Stage A Prostate Cancer; 6. Melanoma that is diagnosed as Clark's Level I and II or Breslow less than .77 mm; 7. Basal cell carcinoma and squamous cell carcinoma of the skin.

Carcinoma in situ

Means Cancer that is in the natural or normal place, confined to the site without having invaded neighboring tissue.

Cancer and/or carcinoma in situ must be diagnosed in one of two ways:

1. Pathological Diagnosis - A pathological diagnosis of cancer or carcinoma in situ is based on a microscopic study of fixed tissue or preparations from the hemic (blood) system. This type of diagnosis must be done by a certified pathologist whose diagnosis of malignancy is in keeping with the standards set by the American Board of Pathology.
2. Clinical Diagnosis - A clinical diagnosis of cancer or carcinoma in situ is based on the study of symptoms. We will pay benefits for a clinical diagnosis only if: a. A pathological diagnosis cannot be made because it is medically inappropriate or life threatening; b. There is medical

evidence to support the diagnosis; and c. A doctor is treating the insured for cancer and/or carcinoma in situ.

Renal Failure (Kidney Failure)

Means the end stage of renal failure presenting as chronic, irreversible failure of both of your kidneys to function. The Kidney failure must necessitate regular renal dialysis or which results in kidney transplantation. Renal failure is covered, provided it is not caused by a traumatic event, including surgical traumas.

Coronary Artery Bypass Surgery

Means undergoing open heart surgery to correct narrowing or blockage of one or more coronary arteries with bypass grafts, but excluding procedures such as, but not limited to balloon angioplasty, laser relief, stints or other non-surgical procedures.

ACCIDENT

We will not pay benefits for an injury that is caused by or occurs as the result of:

1. Participating in war or any act of war, declared or not, or participating in the armed forces of any country or international authority. We will return the prorated premium for any period not covered when you are in such service.
2. Operating, learning to operate, serving as a crew member on, or jumping or falling from any aircraft, including those which are not motor-driven.
3. Participating or attempting to participate in an illegal activity or working at an illegal job.
4. Committing or attempting to commit suicide, while sane or insane.
5. Injuring or attempting to injure yourself intentionally.
6. Having any disease or bodily/mental illness or degenerative process. We also will not pay benefits for any related medical/surgical treatment or diagnostic procedures for such illness.
7. Traveling more than 40 miles outside the territorial limits of the United States, Canada, Mexico, Puerto Rico, The Bahamas, Virgin Islands and Jamaica except under the Accidental Common Carrier Death Benefit.
8. Riding in or driving any motor-driven vehicle in a race, stunt show or speed test.
9. Participating in any professional or semi-professional organized sport.
10. Being legally intoxicated or under the influence of any narcotic unless taken on the advice of a physician.
11. Driving any taxi or intrastate or interstate long-distance vehicle for wage, compensation or profit.
12. Mountaineering using ropes and/or other equipment, parachuting or hang-gliding.
13. Having cosmetic surgery or other elective procedures that are not medically necessary or having dental treatment except as a result of covered accident.

Pre-existing Condition Limitation

We will not pay benefits for loss which is caused by, contributed to, or resulting from a pre-existing condition for 12 months after the effective date of your certificate and attached riders, as applicable.

A pre-existing condition means within the 12-month period prior to the effective date of a certificate and attached riders, as applicable, those conditions for which medical advice or treatment was received or recommended.

A claim for benefits for loss starting after 12 months from the effective date of a certificate and attached riders will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

Treatment means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

A Certificate may have been issued as a replacement for a Certificate previously issued under the Plan. If so, then the Pre-existing Condition Limitation Provision of the Certificate applies only to any increase in benefits over the prior Certificate. Any remaining period of Pre-existing Condition Limitation of the prior Certificate would continue to apply to the prior level of Benefits.

WHOLE LIFE

Suicide Exclusion:

If an Insured takes his own life within two years from the Date of Issue of his certificate, the liability of the Company will be limited to all premiums paid, without interest, less any Certificate Loan and loan interest.

Risks not covered under the Accidental Death Rider

The Accidental Death Benefit provided by this Rider shall not be payable if the Insured's death results from any of the following causes:

1. war, or an act of war (including any armed aggression resisted by the armed forces of any country or combination of countries), whether such war is declared or undeclared;
2. suicide;
3. any bodily or mental infirmity or disease, except a bacterial infection occurring with or through an accidental injury;
4. committing or attempting to commit an assault or felony;
5. the voluntary taking of:
 - a. any drug, medication, or sedative unless as prescribed by a physician; or b. any poison (expect for food poisoning), including carbon monoxide;
6. operating, riding in, or descending from any kind of aircraft, or subsequent drowning, if the insured; a. is a pilot, officer, or member of the crew; or b. is in an aircraft which is being flown for the purpose of descent from such aircraft while in flight; or c. is giving or receiving any kind of training or instructions; or d. has any duties aboard such aircraft

This Product is subject to Insurance Department Approval. The product benefits and riders may not be available in all states. Policy form series number HML9800-MP et al (not available in all states).

Limitations under the Waiver of Premium Rider

No benefit will be provided by this Rider if:

1. Total Disability is caused by an intentionally self inflicted injury, or;
2. results from an act of war, declared or undeclared, while the Insured is in the military service of any country

Limitations under the Accelerated Death Benefit Rider:

The Company will not pay the Accelerated Benefit:

1. If either the Owner or the Insured is required by a government agency to use the Accelerated Benefit in order to apply for, obtain, or otherwise keep a government benefit or entitlement;
2. If either the Owner or the Insured is required by law to use the Accelerated Benefit to meet the claims of creditors, whether in bankruptcy or otherwise;
3. If the Terminal Illness results from intentionally self-inflicted injuries;
4. If the Certificate is in force as either Extended Term Insurance or Reduced Paid-Up Insurance;
5. If the Certificate is legally or equitably assigned, except to the Company as security for the lien;
6. If any part of the Death Benefit under the Certificate is contestable.
7. If the Certificate is not in force or the Death Benefit under the Certificate is not payable for any reason.
8. If the amount of the Accelerated Benefit, plus the amount of all Accelerated Benefits on the Insured from all certificates issued by the Company, exceeds \$250,000; or
9. If there has already been an Accelerated Benefit paid on this Certificate.

ALL COVERAGE SUBJECT TO RECEIPT OF ADDITIONAL INFORMATION REGARDING ASSOCIATION AND APPROVAL OF ASSOCIATION BY CONTINENTAL AMERICAN EXECUTIVE COMMITTEE.

This brochure is a brief description of coverage and is not a contract. Read your certificate carefully for exact terms and conditions. This brochure is subject to the terms, conditions, and limitations of policy form series xxxxxxxxxx.

