

SIS HOSPITAL GAP™ PLAN GUIDELINES

Plan Summary:

Provides a benefit of up to \$500, \$1,000, \$1,250, \$1,500, \$1,750, \$2,000, \$2,500, \$3,500 and \$5,000 for a difference between covered charges incurred and the amount paid by the other carrier for out-of-pocket usual and customary charges. The employer may only offer one plan unless the employer's medical plan offers various deductibles and co-payments. Approval of multi-option plans is required.

Forms required for Submission:

Application: M-2467 SIS

Subscription Agreement: M-1600 (01/01)

AFA New Business Submission Form: AWD 1002 (Revised June 2002)

AWD New Business Data Sheet: AWD-0001 (Revised March 2000)

Schedule of Benefits of Primary Major Medical plan coverage

Alternate Commission Agreement

Sales Brochure: SB-7862

Issue Ages:

Rates will be based on the age at entry into the plan and will not increase with attained age. Allowable issue ages are 18 through 69 (on groups of 20 or more, ages 18 and over). Termination will be at age 70 for active employees for groups of less than 20; no termination age for groups of 20 or more.

Effective Dates:

Certificates issued become effective the first of the month following the date of approval, provided the first premium has been paid.

The applicant must be an active, full-time employee on the date his or her coverage would become effective, otherwise, the insurance will become effective on the first day of the month following the date he or she resumes active service.

Eligibility:

All active, full-time employees working 18 hours or more per week and under age 70 will be eligible for coverage.

Each Insured will be eligible for dependent coverage on the later of the following dates:

- a) The day the insured employee becomes eligible for insurance; or
- b) The day the insured employee acquires his or her first dependent.

Note: In addition to the above requirements, each person to be covered must also be covered under a comprehensive medical plan, which includes managed care. (CHAMPUS/TRICARE is not a comprehensive medical plan.)

Dependents:

The term "dependent" means an insured employee's:

- a) legal spouse who lives with the insured employee, and is under age 70; or
- b) unmarried child (natural, step, or adopted) who is not eligible for medical coverage as an insured under this policy.

Minimum Group Size:

A minimum of 5 acceptable applications to issue a group.

Pre-Existing Condition Limitation:

None

Exclusion:

Any benefit not covered under the primary Major Medical plan of benefits.

Continuation:

COBRA continuation is available. A separate application is required. *Conversion policies are not available after COBRA.*

Unacceptable Groups:

School Districts will not be accepted.

Texas Automobile Dealers of America (TADA) Association members will not be accepted. (*Not all automobile dealers are members of this association.*)

Texas Trucking Association

If the group is a member of an Association, please call Special Insurance Services for approval of the Association.