

AMERICAN FAMILY LIFE ASSURANCE COMPANY OF COLUMBUS (AFLAC)
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This is a supplement to health insurance. It is not a substitute for hospital or medical expense insurance, a health maintenance organization (HMO) contract, or major medical expense insurance.

SPECIFIED HEALTH EVENT INSURANCE POLICY
Supplemental Health Insurance Coverage

Outline of Coverage for Policy Form Series A71200
THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.

If you are eligible for Medicare, review the *Medicare Supplement Buyer's Guide* furnished by Aflac.

- (1) **Read Your Policy Carefully:** This Outline of Coverage provides a very brief description of some of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth, in detail, the rights and obligations of both you and Aflac. It is, therefore, important that you READ YOUR POLICY CAREFULLY.
- (2) **Specified Health Event Insurance Coverage** is designed to supplement your existing accident and Sickness coverage only when certain losses occur as a result of Specified Health Events. Primary Specified Health Events are: Heart Attack, Stroke, Coronary Artery Bypass Surgery, End-Stage Renal Failure, Major Human Organ Transplant, Major Third-Degree Burns, Persistent Vegetative State, Coma, or Paralysis occurring after the Effective Date of coverage. Secondary Specified Health Events are: Coronary Angioplasty, with or without stents, occurring after the Effective Date of coverage. Coverage is provided for the benefits outlined in Part (3). The benefits described in Part (3) may be limited by the provisions in Part (5).
- (3) **Benefits:** Subject to the Pre-existing Conditions provision, if applicable, Limitations and Exclusions, and all other policy provisions, we will pay the following benefits for a covered Specified Health Event that occurs while coverage is in force.

IMPORTANT: BENEFITS A, B, and J REDUCE BY ONE-HALF FOR LOSSES INCURRED ON OR AFTER THE POLICY ANNIVERSARY DATE FOLLOWING THE 70TH BIRTHDAY OF A COVERED PERSON.

Subject to Part 2, Limitations and Exclusions, and all other policy provisions, we will pay the following benefits to a covered person, as applicable:

BENEFITS FOR HOSPITAL INTENSIVE CARE UNIT CONFINEMENTS:

A. HOSPITAL INTENSIVE CARE UNIT BENEFIT: Aflac will pay the following benefits when a covered person incurs a charge for confinement in a Hospital Intensive Care Unit or a Step-Down Intensive Care Unit for a covered Sickness or Injury:

1. Confinement in a Hospital Intensive Care Unit:

<u>Sickness</u>	<u>Injury</u>	<u>Days</u>
\$ 700 per day	\$ 800 per day	1-7
\$1,200 per day	\$1,300 per day	8-15

2. Confinement in a Step-Down Intensive Care Unit Benefit:

<u>Sickness</u>	<u>Injury</u>	<u>Days</u>
\$350 per day	\$350 per day	1-15

IMPORTANT: Benefits A1 and A2 are each limited to 15 days per Period of Confinement. Benefit A2 is also payable for confinement in a Hospital Intensive Care Unit after exhaustion of benefits payable under A1 above. No lifetime maximum.

IMPORTANT: Benefits payable under A1 or A2 above are not payable on the same day. If a covered person is charged for both on the same day, only the highest eligible benefit will be paid. Treatment or confinement in a U.S. government Hospital does not require a charge for benefits to be payable. No lifetime maximum.

B. PROGRESSIVE BENEFIT FOR HOSPITAL INTENSIVE CARE UNIT/STEP-DOWN INTENSIVE CARE UNIT CONFINEMENT: Two dollars indemnity will accumulate for the Named Insured and the covered spouse for each calendar month the policy remains in force after the Effective Date. This accumulated indemnity, if any, will be paid in addition to the Hospital Intensive Care Unit Benefit A1 and A2 for each day of Hospital Intensive Care Unit confinement for which benefits under A1 or A2 are payable. This Progressive Benefit will cease to build on the policy anniversary date following the 65th birthday of a covered person. Any amount accrued at the time this benefit ceases to build for a covered person will continue to be added to the benefit amount for all Hospital Intensive Care Unit/Step-Down Hospital Intensive Care Unit confinements commencing prior to the policy anniversary date following the 70th birthday of the covered person. **THIS ACCUMULATED BENEFIT REDUCES AT AGE 70.** This accumulated benefit will be reduced by one-half for Hospital Intensive Care Unit/Step-Down Intensive Care Unit confinements commencing on or after the policy anniversary date following the 70th birthday of a covered person. **This benefit is not applicable and will not accrue to any covered person who has attained age 65 prior to the Effective Date of the policy.** The Named Insured and covered spouse, if any, are the only persons eligible for this benefit if One-Parent Family or Two-Parent Family coverage is in force. Dependent Children do not qualify for this benefit. When a spouse is added to an existing policy, this benefit will begin to accrue from the endorsement date adding such spouse, provided the spouse has not yet attained age 65.

BENEFITS FOR PRIMARY SPECIFIED HEALTH EVENTS:

Subject to the Pre-Existing Conditions provision, Limitations and Exclusions, and all other policy provisions, Benefits F through H will be paid for care received within 180 days following the occurrence of a covered Primary Specified Health Event. Benefits are payable for only one covered Primary Specified Health Event at a time per covered person. If a covered person is eligible to receive benefits for more than one covered Primary Specified Health Event, we will pay benefits only for care received within the 180 days following the occurrence of the most recent event.

C. FIRST-OCCURRENCE BENEFIT: Aflac will pay the following benefit amount for each covered person when he or she is first diagnosed as having had a Primary Specified Health Event:

Named Insured/Spouse

\$5,000 (Lifetime maximum \$5,000 per covered person)

Dependent Children

\$7,500 (Lifetime maximum \$7,500 per covered person)

This benefit is payable only once for each covered person and will be paid in addition to any other benefit in the policy.

D. REOCCURRENCE BENEFIT: If benefits have been paid to a covered person under C above, Aflac will pay \$2,500 (two thousand five hundred dollars) if such covered person is later diagnosed as having had a subsequent Primary Specified Health Event.

For Benefit D to be payable, the Primary Specified Health Event must occur more than 180 days after the date Benefit C or Benefit D became payable. No lifetime maximum.

E. HOSPITAL CONFINEMENT BENEFIT (includes confinement in a U.S. government Hospital): When a covered person requires Hospital Confinement for the treatment of a covered Primary Specified Health Event, Aflac will pay \$300 (three hundred dollars) per day for each day a covered person is charged as an inpatient. **This benefit is limited to confinements for the treatment of a covered Primary Specified Health Event that occur within 500 days following the occurrence of the most recent covered Primary Specified Health Event.** No lifetime maximum.

Hospital Confinement Benefits are payable for only one covered Primary Specified Health Event at a time per covered person. Treatment or confinement in a U.S. government Hospital does not require a charge for benefits to be payable.

F. CONTINUING CARE BENEFIT: If, as the result of a covered Primary Specified Health Event, a covered person receives any of the following treatments from a licensed Physician, Aflac will pay \$125 (one hundred twenty-five dollars) each day a covered person is charged:

- | | |
|---------------------------------|-----------------------|
| 1. rehabilitation therapy | 7. home health care |
| 2. physical therapy | 8. dialysis |
| 3. speech therapy | 9. hospice care |
| 4. occupational therapy | 10. extended care |
| 5. respiratory therapy | 11. Physician visits |
| 6. dietary therapy/consultation | 12. nursing home care |

Treatment is limited to 60 days for continuing care received within 180 days following the occurrence of the most recent covered Primary Specified Health Event. Daily maximum for this benefit is \$125 (one hundred twenty-five dollars) regardless of the number of treatments received.

Benefits are not payable on the same day as the Hospital Confinement Benefit (E). If the Hospital Confinement Benefit (E) and the Continuing Care Benefit (F) are payable on the same day, only the highest eligible benefit will be paid. No lifetime maximum.

G. TRANSPORTATION BENEFIT: If a covered person requires special medical treatment that has been prescribed by the local attending Physician for a covered Primary Specified Health Event, Aflac will pay 50 cents (fifty cents) per mile for noncommercial travel or the costs incurred for commercial travel (coach class plane, train, or bus fare) for transportation of a covered person for the round-trip distance between the Hospital or medical facility and the residence of the covered person. This benefit is not payable for transportation by ambulance or air ambulance to the Hospital. Reimbursement will be made only for the method of transportation actually taken. This benefit will be paid only for the covered person for whom the special treatment is prescribed. If the special treatment is for a Dependent Child and commercial travel is necessary, we will pay this benefit for up to two adults to accompany the Dependent Child. The benefit amount payable is limited to \$1,500 (one thousand five hundred dollars) per occurrence of a covered Primary Specified Health Event. **Transportation Benefits are not payable beyond the 180th day following the occurrence of a covered Primary Specified Health Event. THIS BENEFIT IS NOT PAYABLE FOR TRANSPORTATION TO ANY HOSPITAL LOCATED WITHIN A 50-MILE RADIUS OF THE RESIDENCE OF THE COVERED PERSON.** No lifetime maximum.

H. LODGING BENEFIT: Aflac will pay the charges incurred up to \$75 (seventy-five dollars) per day for lodging for you or any one adult family member when a covered person receives special medical treatment for a covered Primary Specified Health Event at a Hospital or medical facility. The Hospital, medical facility, and lodging must be more than 50 miles from the covered person's residence. This benefit is not payable for lodging occurring more than 24 hours prior to treatment or for lodging occurring more than 24 hours following treatment. This benefit is limited to 15 days per occurrence of a covered Primary Specified Health Event. **Lodging Benefits are not payable beyond the 180th day following the occurrence of a covered Primary Specified Health Event.** No lifetime maximum.

BENEFIT FOR SECONDARY SPECIFIED HEALTH EVENTS:

Subject to the Pre-existing Conditions provision, Limitations and Exclusions, and all other policy provisions, we will pay the following benefits to a covered person, as applicable:

I. SECONDARY SPECIFIED HEALTH EVENT BENEFIT: Aflac will pay \$250 (two hundred fifty dollars) for each covered person under the policy when he or she has a Coronary Angioplasty, with or without stents. **This benefit is limited to one Coronary Angioplasty per 30-day period.** No lifetime maximum.

MISCELLANEOUS BENEFITS:

Subject to the Pre-Existing Conditions provision, if applicable, Limitations and Exclusions, and all other policy provisions, we will pay the following benefits to a covered person, as applicable:

J. MAJOR HUMAN ORGAN TRANSPLANT BENEFIT: Aflac will pay \$25,000 (twenty-five thousand dollars) as a result of a Major Human Organ Transplant procedure when a covered person is confined in a Hospital and receives one or more of the following human organs: kidney, liver, heart, lung, or pancreas. Transplant procedures involving more than one major organ will be considered to be one organ transplant procedure. **This benefit is not payable for transplants involving mechanical or nonhuman organs and is limited to one procedure per 180-day period.** No lifetime maximum.

K. AMBULANCE BENEFIT: If, due to a covered Primary Specified Health Event or confinement in a Hospital Intensive Care Unit or Step-Down Intensive Care Unit for a covered Sickness or Injury, a covered person requires ground ambulance transportation to or from a Hospital, Aflac will pay \$250 (two hundred fifty dollars). If air ambulance transportation is required due to a covered Primary Specified Health Event for a covered Sickness or Injury, or confinement in a Hospital Intensive Care Unit or Step-Down Intensive Care Unit, we will pay \$2,000 (two thousand dollars). A licensed professional or licensed volunteer ambulance company must provide the ambulance service. If the provider of service does not receive payment for services provided from any other source, and provided the benefit under this policy has not been paid, we will directly reimburse such provider of service. This benefit will not be paid for more than two times per occurrence of a Primary Specified Health Event or confinement in a Hospital Intensive Care Unit or Step-Down Intensive Care Unit for a covered Sickness or Injury. **Ambulance Benefits are not payable beyond the 180th day following the occurrence of a covered Primary Specified Health Event.** No lifetime maximum.

L. WAIVER OF PREMIUM BENEFIT:

Employed: If you, due to a Primary Specified Health Event (as defined in Part 1, Item T of the policy), are completely unable to do all of the usual and customary duties of your occupation for a period of 90 continuous days, Aflac will waive, from month to month, any premiums falling due during your

continued inability. For premiums to be waived, Aflac will require an employer's statement and a Physician's statement of your inability to perform said duties, and may each month thereafter require a Physician's statement that total inability continues.

Not Employed: If you, due to a Primary Specified Health Event (as defined in Part 1, Item T of the policy), are completely unable to perform three or more of the Activities of Daily Living (ADLs) without the assistance of another person for a period of 90 continuous days, Aflac will waive, from month to month, any premiums falling due during your continued inability. For premiums to be waived, Aflac will require a Physician's statement of your inability to perform said activities, and may each month thereafter require a Physician's statement that total inability continues.

If you die and your spouse becomes the new Named Insured, premiums will start again and be due on the first premium due date after the change. The new Named Insured will then be eligible for this benefit if the need arises.

While this benefit is being paid, Aflac may ask for and use an independent consultant to determine whether you can perform an ADL.

M. MAMMOGRAPHY BENEFIT: Aflac will pay \$150 (one hundred fifty dollars) per policy year when a charge is incurred for an annual screening by low dose mammography for the presence of occult breast cancer. This benefit is limited to one payment per policy year, per covered person. No lifetime maximum.

N. CONTINUATION OF COVERAGE BENEFIT: Aflac will waive all monthly premiums due for the policy and riders for two months if you meet all of the following conditions:

1. Your policy has been in force for at least six months;
2. We have received premiums for at least six consecutive months;
3. Your premiums have been paid through payroll deduction;
4. You or your employer has notified us in writing within 30 days of the date your premium payments ceased due to your leaving employment; and
5. You re-establish premium payments through:
 - a. your new employer's payroll deduction process, or
 - b. direct payment to Aflac.

You will again become eligible to receive this benefit after:

1. You re-establish your premium payments through payroll deduction for a period of at least six months, and
2. We receive premiums for at least six consecutive months.

"Payroll deduction" means your premium is remitted to Aflac for you by your employer through a payroll deduction process.

(4) Optional Benefits:

FIRST-OCCURRENCE BUILDING BENEFIT RIDER: (Series A71050) Applied for Yes No

The First-Occurrence Building Benefit as defined in the policy, will be increased by \$500 (five hundred dollars) on each rider anniversary date while this rider remains in force. (The amount of the monthly

increase will be determined on a pro rata basis.) This benefit will be paid under the same terms as the First-Occurrence Benefit. This benefit will cease to build for each covered person on the anniversary date of this rider following the covered person's 65th birthday or at the time of a Primary Specified Health Event, subject to Part 2 of the policy, for that covered person, whichever occurs first. However, regardless of the age of the covered person on the Effective Date of this rider, this benefit will accrue for a period of at least five years unless a Primary Specified Health Event is diagnosed prior to the fifth year of coverage. (If this is Individual coverage, no further premium will be billed for this rider after the payment of benefits.)

PRIMARY SPECIFIED HEALTH EVENT RECOVERY BENEFIT RIDER: (Series A71051)

Applied for Yes No

A covered person will be considered in Specified Health Event Recovery if he or she continues to be under the active care and treatment by a Physician for a covered Primary Specified Health Event OR if he or she is unable to engage in the duties of his or her regular occupation due to a covered Primary Specified Health Event. "Primary Specified Health Event" includes Heart Attack, Stroke, Coronary Artery Bypass Surgery, End-Stage Renal Failure, Major Human Organ Transplant, Major Third-Degree Burns, Persistent Vegetative State, Coma, or Paralysis occurring after the Effective Date of this rider.

Aflac will pay \$500 per month while a covered person remains in Primary Specified Health Event Recovery upon receipt of written proof of loss from that person's Physician.

For Periods of Primary Specified Health Event Recovery less than one month, we will pay a pro rata benefit. Lifetime maximum of six months per covered person.

PRE-EXISTING CONDITIONS: Benefits for a Primary Specified Health Event that is caused by a Pre-existing Condition will not be covered unless the Primary Specified Health Event occurs more than 30 days after the Effective Date of the rider. Any reoccurrence of a Primary Specified Health Event occurring more than 30 days after the Effective Date will be covered.

LIMITATIONS AND EXCLUSIONS FOR RIDER SERIES A71051 ONLY:

A. Benefits for a Primary Specified Health Event that is caused by a Pre-Existing Condition will not be covered unless the Primary Specified Health Event occurs more than 30 days after the Effective Date. Benefits are payable for only one covered Primary Specified Health Event at a time per covered person.

B. This rider does not cover losses or confinements caused by or resulting from:

1. Any loss sustained or contracted due, directly or indirectly, to a covered person's being intoxicated or under the influence of any controlled substance unless administered on the advice of a Physician.
2. Participating in any sport or sporting activity for wage, compensation, or profit.
3. Intentionally self-inflicting bodily Injury or attempting suicide.
4. Being exposed to war or any act of war, declared or undeclared, or actively serving in any of the armed forces or units auxiliary thereto, including the National Guard or Reserve.

(5) Exceptions, Reductions and Limitations of the Policy (This is not a daily hospital expense plan.):

- A.** Benefits payable under Part 5, A, B, and J of the policy will be reduced by one-half for losses that begin on or after the policy anniversary date following the 70th birthday of a covered person.
- B.** Benefits are not payable under Part 5, A and B of the policy for confinement in units such as telemetry or surgical recovery rooms, postanesthesia care units, progressive care units, intermediate care units, private monitored rooms, observation units located in emergency room or outpatient surgery units; or other facilities that do not meet the standards for a Hospital Intensive Care Unit or Step-Down Intensive Care Unit.
- C.** Benefits are not payable for losses or confinements that begin or occur before the policy Effective Date or after termination of the policy.
- D.** Benefits for a Primary or Secondary Specified Health Event that is caused by a Pre-Existing Condition will not be covered unless the Primary or Secondary Specified Health Event occurs more than 30 days after the Effective Date. Benefits are payable for only one covered Primary or Secondary Specified Health Event at a time per covered person.
- E. The policy does not cover losses or confinements caused by or resulting from:**
 - 1. Participating in any sport or sporting activity for wage, compensation, or profit.
This exclusion does not apply to Part 5, Benefits A, B, or J.
 - 2. Intentionally self-inflicting bodily Injury or attempting suicide.
 - 3. Being exposed to war or any act of war, declared or undeclared, or actively serving in any of the armed forces or units auxiliary thereto, including the National Guard or Reserve.
 - 4. Participating in or attempting to participate in any illegal activity that is classified as a felony (the term "felony" is as defined by the law of the jurisdiction in which the activity takes place).
 - 5. Having treatment for a mental or nervous disorder or disease.
 - 6. Any loss sustained or contracted due, directly or indirectly, to a covered person's being intoxicated or under the influence of any controlled substance unless administered on the advice of a Physician.

A "Pre-Existing Condition" is an illness, disease, disorder, or Injury for which, within the six-month period before the Effective Date of coverage, medical advice, consultation, or treatment was recommended or received from a Physician. Benefits for a Primary or Secondary Specified Health Event that is caused by a Pre-Existing Condition will not be covered unless the Primary or Secondary Specified Health Event occurs more than 30 days after the Effective Date. Any reoccurrence of a Primary or Secondary Specified Health Event occurring more than 30 days after the Effective Date will be covered. The Pre-Existing Condition DOES NOT apply to any Hospital Intensive Care benefits under the policy.

(6) Renewability: The policy is guaranteed-renewable for life by payment of the premium in effect at the beginning of each renewal period. Premium rates may change only if changed on all policies of the same form number and class in force in your state.

(7) Premiums:

		Annual	Semiannual	Quarterly	Monthly
Policy:		\$ _____	\$ _____	\$ _____	\$ _____
Rider:	A71050	\$ _____	\$ _____	\$ _____	\$ _____
	A71051CA	\$ _____	\$ _____	\$ _____	\$ _____

RETAIN FOR YOUR RECORDS.

**THIS OUTLINE OF COVERAGE IS ONLY A BRIEF SUMMARY OF THE COVERAGE PROVIDED.
THE POLICY ITSELF SHOULD BE CONSULTED TO DETERMINE
GOVERNING CONTRACTUAL PROVISIONS.**