

Aflac Group Hospital Indemnity

INSURANCE — PLAN 2

Even a small trip to the hospital can have a major impact on your finances.

Here's a way to help make your visit a little more affordable.



We've got you under our wing.®

AFLAC GROUP HOSPITAL INDEMNITY INSURANCE — PLAN 2

Policy Series CA8500-MP



The plan that can help with expenses and protect your savings.

Does your major medical insurance cover all of your bills?

Even a minor trip to the hospital can present you with unexpected expenses and medical bills. And though you may have major medical insurance, your plan may only pay a portion of your entire stay.

That's how the Aflac group Hospital Indemnity plan can help.

It provides financial assistance to enhance your current coverage. So you can avoid dipping into savings or having to borrow to address out-of-pocket-expenses major medical insurance was never intended to cover. Like transportation and meals for family members, help with child care, or time away from work, for instance.

In addition to providing you with cash benefits (unless otherwise assigned) during a covered hospitalization, the Aflac group Hospital Indemnity plan has been designed with much more in mind, such as:

- **No deductibles.**
- **No networks, which means you can be treated at the hospital of your choice.**
- **No precertification.**



Understanding the facts can help you decide if the Aflac group Hospital Indemnity plan makes sense for you.

FACT NO. 1

\$1,910

IS THE AVERAGE COST PER INPATIENT DAY FOR A HOSPITAL
STAY.¹

FACT NO. 2

39.4 MILLION

OR 34% OF VISITS TO HOSPITAL EMERGENCY
DEPARTMENTS IN 2007 WERE DUE TO INJURIES.²

Coverage is underwritten by Continental American Insurance Company (CAIC),
a proud member of the Aflac family of insurers.

¹State Health Facts, Kaiser Family Foundation, 2012.

²National Safety Council, Injury Facts, 2011 Edition.

Here's why the Aflac group Hospital Indemnity plan may be right for you.

For almost 60 years, Aflac has been dedicated to helping provide individuals and families peace of mind and financial security when they've needed it most. The Aflac group Hospital Indemnity plan is just another innovative way to help make sure you're well protected under our wing.

But it doesn't stop there. Having the Aflac group Hospital Indemnity plan means that you could have added financial resources to help with medical costs or ongoing living expenses.

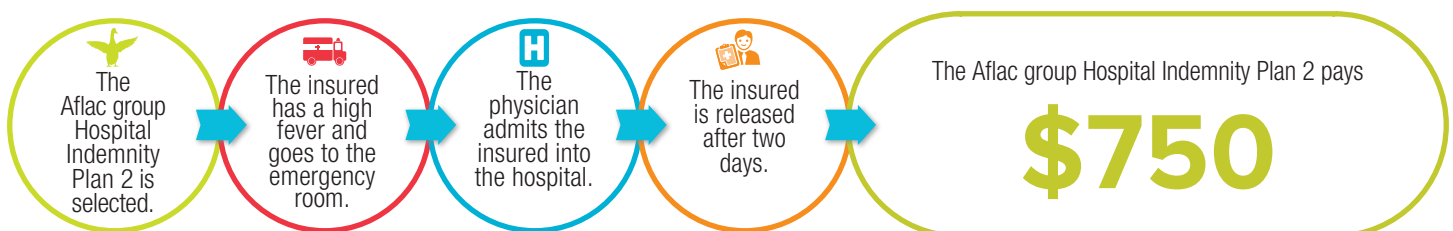
The Aflac group Hospital Indemnity plan benefits include the following:

- Hospital Confinement Benefit
- Hospital Admission Benefit
- Hospital Intensive Care Benefit
- Hospital Emergency Room / Physician Benefit
- Out-of-Hospital Prescription Drug Benefit
- Well Baby Care Benefit (if dependent children coverage is selected)

Features:

- Benefits are paid directly to you unless you choose otherwise.
- Coverage is available for you, your spouse, and dependent children.
- Coverage is portable. That means you can take it with you if you change jobs or retire (with certain stipulations).
- Fast claims payment. Most claims are processed in about four days.

How it works



Amount payable was generated based on benefit amounts for: Hospital Emergency Room Benefit (\$50), Hospital Admission (\$300), and Hospital Confinement (\$200 per day).

The plan has limitations and exclusions that may affect benefits payable. This brochure is for illustrative purposes only. Refer to your certificate for complete details, definitions, limitations, and exclusions.

For more information, ask your insurance agent/producer, call 1.800.433.3036, or visit aflacgroupinsurance.com.

Benefits Overview

PLAN 2

HOSPITAL CONFINEMENT BENEFIT (up to 180 days per confinement)

This benefit is paid when a covered person is confined to a hospital as a resident bed patient because of a covered sickness or as the result of injuries received in a covered accident. To receive this benefit for injuries received in a covered accident, the covered person must be confined to a hospital within six months of the date of the covered accident.

This benefit is payable for only one hospital confinement at a time even if caused by more than one covered accident, more than one covered sickness, or a covered accident and a covered sickness.

\$200
per day

HOSPITAL INTENSIVE CARE BENEFIT (30-day maximum for any one period of confinement)

This benefit is paid when a covered person is confined in a hospital intensive care unit because of a covered sickness or due to an injury received from a covered accident. To receive this benefit for injuries received in a covered accident, the covered person must be admitted to a hospital intensive care unit within six months of the date of the covered accident.

We will pay benefits for only one confinement in a hospital intensive care unit at a time, even if it is caused by more than one covered accident, more than one covered sickness, or a covered accident and a covered sickness. If we pay benefits for confinement in a hospital intensive care unit and a covered person becomes confined to a hospital intensive care unit again within six months because of the same or a related condition, we will treat this confinement as the same period of confinement.

\$200
per day

SURGICAL AND ANESTHESIA BENEFITS

These benefits are paid when a covered person has surgery performed by a physician due to an injury received in a covered accident or because of a covered sickness. If two or more surgical procedures are performed at the same time through the same or different incisions, only one benefit, the largest, will be provided. Surgical and Anesthesia Benefits are available subject to plan definitions and the Surgical Schedule. (The Anesthesia Benefit will be 25 percent of the Surgical Benefit paid.)

Surgery up to
\$2,000;
Anesthesia up to
\$500

OUT-OF-HOSPITAL PRESCRIPTION DRUG BENEFIT

We will pay an indemnity benefit, based on the plan definitions, for each prescription filled for a covered person. Prescription drugs must meet three criteria: (1) be ordered by a doctor; (2) be dispensed by a licensed pharmacist; and (3) be medically necessary for the care and treatment of the patient. This benefit is subject to the Out-of-Hospital Prescription Drug Benefit maximum.

This benefit does not include benefits for: (a) therapeutic devices or appliances; (b) experimental drugs; (c) drugs, medicines, or insulin used by or administered to a person while he is confined to a hospital, rest home, extended-care facility, convalescent home, nursing home, or similar institution; (d) immunization agents, biological sera, blood, or blood plasma; or (e) contraceptive materials, devices, or medications or infertility medication, except where required by law.

\$10 with a 5-prescription
maximum per year
per covered person

HOSPITAL EMERGENCY ROOM/PHYSICIAN BENEFIT (MEDICAL FEES BENEFIT)

If a covered person is injured in a covered accident or has treatment as the result of a covered sickness, we will pay the benefit as shown for a maximum benefit of \$50 based on the following:

\$50 – Physician (per visit) / X-ray (per visit)

\$25 – Laboratory fees (per visit) / Injections/medications (per visit)

Not to exceed a maximum of \$50 per visit.

Up to a maximum of
\$50 per visit
Maximum **\$250**
per covered person
per calendar year
Maximum **\$1,000** per Family
per calendar year

WELL BABY CARE BENEFIT

We will pay the Well Baby Care Benefit amount associated with each benefit plan option when an insured baby receives well baby care (four visits per calendar year, per insured baby). For this plan, a baby is a dependent child 12 months of age or younger. This benefit is payable only if coverage is issued with the Dependent Children Benefit Rider.

\$25
per visit

AFLAC GROUP HOSPITAL INDEMNITY INSURANCE

Policy Series CA8500-MP

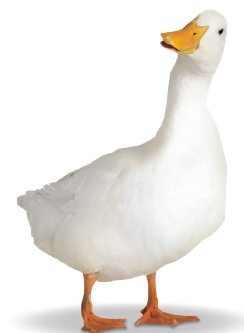


HOSPITAL ADMISSION BENEFIT

\$500 per admission Employee / Spouse / Child

The benefit is paid when a Covered Person is admitted to a hospital and confined as a resident bed patient because of Injuries received in a Covered Accident or because of a Covered Sickness. In order to receive this benefit for Injuries received in a Covered Accident, the Covered Person must be admitted to a hospital within six months of the date of the Covered Accident.

We will not pay benefits for confinement to an observation unit, or for emergency treatment or outpatient treatment. We will pay this benefit once for a period of confinement. We will only pay this benefit once for each Covered Accident or Covered Sickness. If a Covered Person is confined to the hospital because of the same or related Injury or Sickness, we will not pay this benefit again.



For a complete list of limitations and exclusions please refer to the brochure.

Continental American Insurance Company (CAIC), a proud member of the Aflac family of insurers, is a wholly-owned subsidiary of Aflac Incorporated and underwrites group coverage. CAIC is not licensed to solicit business in New York, Guam, Puerto Rico, or the Virgin Islands.

Continental American Insurance Company • 2801 Devine Street • Columbia, South Carolina 29205

The certificate to which this sales material pertains is written only in English; the certificate prevails if interpretation of this material varies.

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 CA8500-MP.

Continental American Insurance Company is not aware of whether you receive benefits from Medicare, Medicaid, or a state variation. If you or a dependent are subject to Medicare, Medicaid, or a state variation, any and all benefits under this plan could be assigned. This means that you may not receive any of the benefits in the plan. As a result, please check the coverage in all health insurance policies you already have or may have before you buy this insurance to verify the absence of any assignments or liens.

Notice to Consumer: The coverages provided by Continental American Insurance Company (CAIC) represent supplemental benefits only. They do not constitute comprehensive health insurance coverage and do not satisfy the requirement of minimum essential coverage under the Affordable Care Act. CAIC coverage is not intended to replace or be issued in lieu of major medical coverage. It is designed to supplement a major medical program.



HOSPITAL INDEMNITY INSURANCE

LIMITATIONS AND EXCLUSIONS

TERMS YOU NEED TO KNOW

LIMITATIONS AND EXCLUSIONS

If the coverage outlined in this summary will replace any existing individual policy, please be aware that it may be in your best interest to maintain your individual guaranteed-renewable policy.

EXCLUSIONS

We will not pay benefits for loss caused by pre-existing conditions.

We will not pay benefits for loss contributed to, caused by, or resulting from:

- War – Participating in war or any act of war, declared or not, or participating in the armed forces of or contracting with any country or international authority. We will return the prorated premium for any period not covered by the certificate when you are in such service.
- Suicide – Committing or attempting to commit suicide, while sane or insane.
- Self-Inflicted Injuries – Injuring or attempting to injure yourself intentionally.
- Traveling – Traveling more than 40 miles outside the territorial limits of the United States, Canada, Mexico, Puerto Rico, the Bahamas, Virgin Islands, Bermuda, or Jamaica.
- Racing – Riding in or driving any motor-driven vehicle in a race, stunt show, or speed test.
- Aviation – Operating, learning to operate, serving as a crew member on, or jumping or falling from any aircraft, including those which are not motor-driven.
- Intoxication – Being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a physician.
- Illegal Acts – Participating or attempting to participate in an illegal activity, or working at an illegal job.
- Sports – Participating in any organized sport: professional or semiprofessional.
- Custodial Care. This is care meant simply to help people who cannot take care of themselves.
- Treatment for being overweight, gastric bypass or stapling, intestinal bypass, and any related procedures, including complications.
- Services performed by a relative.
- Services related to sex change, sterilization, in vitro fertilization, or reversal of a vasectomy or tubal ligation.
- A service or a supply furnished by or on behalf of any government agency unless payment of the charge is required in the absence of insurance.
- Elective abortion.
- Treatment, services, or supplies received outside the United States and its possessions or Canada.
- Dental services or treatment.
- Cosmetic surgery, except when due to medically necessary reconstructive plastic surgery.
- Mental or emotional disorders without demonstrable organic disease.
- Alcoholism, drug addiction, or chemical dependency.
- Injury or sickness covered by workers' compensation.
- Routine physical exams and rest cures.

PRE-EXISTING CONDITION LIMITATION

Pre-Existing Condition means, within the 12-month period prior to the effective date of the certificate, those conditions for which medical advice or treatment was received or recommended.

We will not pay benefits for any loss or injury which is caused by, contributed to by, or resulting from a pre-existing condition for 12 months after the effective date of the certificate, or for 12 months from the date medical care, treatment, or supplies were received for the pre-existing condition, whichever is less.

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

Pregnancy is a pre-existing condition if conception was before the effective date of coverage.

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

If a certificate is issued as a replacement for a certificate previously issued under the plan, then the Pre-existing Condition limitation provision of the new 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.

TERMS YOU NEED TO KNOW

You and Your – Refers to an employee as defined in the plan.

Spouse – Means your legal Spouse who is between the ages of 18 and 64.

Dependent Children – Means your natural children, stepchildren, foster children, legally adopted children, or children placed for adoption, who are under age 26.

Your natural children will be covered from the moment of live birth provided the birth was after the Effective Date of the Dependent Children Benefit Rider. No notice or additional premium is required if the Dependent Children Benefit Rider is already in force. Newborn children are not covered from the time of birth unless Dependent Children Benefit Rider coverage is already in force and effective prior to birth.

Coverage on Dependent Children will terminate on the child's 26th birthday. However, if any child is incapable of self-sustaining employment due to mental retardation or physical handicap and is dependent on his parent(s) for support, the above age of 26 shall not apply. Proof of such incapacity and dependency must be furnished to the company within 31 days following such 26th birthday.

Covered Person – If the certificate is issued as: individual coverage, the Covered Person means you; for employee/Spouse coverage, Covered Person means you and your legal Spouse; for single parent family coverage, Covered Person means you and your covered Dependent Children as defined in the applicable rider, who have been accepted for coverage; for family coverage, Covered Person means you and your Spouse and covered Dependent Children, as defined in the applicable rider, who have been accepted for coverage.

Injury or Injuries – An accidental bodily Injury or Injuries caused solely by or as the result of a Covered Accident.

Covered Accident – An accident, which occurs on or after a Covered Person's Effective Date, while the certificate is in force, and which is not specifically excluded.

Sickness – An illness, infection, disease, or any other abnormal condition, which is not caused solely by or the result of an Injury.

Covered Sickness – An illness, infection, disease, or any other abnormal physical condition which is not caused solely by or the result of any Injury which occurs while the certificate is in force; and was not treated or for which a Covered Person did not receive advice within 12 months before the Effective Date of coverage; and is not excluded by name or specific description in the certificate.

Doctor or Physician – A person, other than yourself, or a member of your immediate family, who is licensed by the state to practice a healing art; performs services which are allowed by his or her license; and performs services for which benefits are provided by the certificate.

A Hospital is not a nursing home; an extended-care facility; a convalescent home; a rest home or a home for the aged; a place for alcoholics or drug addicts; or a mental institution.

A Hospital Intensive Care Unit is not any of the following step-down units: a progressive care unit; a sub-acute intensive care unit; an intermediate care unit; a private monitored room; a surgical recovery room; an observation unit; or any facility not meeting the definition of a *Hospital Intensive Care Unit* as defined in the certificate.

Effective Date – The date as shown in the certificate schedule if you are on that date actively at work for the policyholder. If not, the certificate will become effective on the next date you are actively at work as an eligible employee. The certificate will remain in effect for the period for which the premium has been paid. The certificate may be continued for further periods as stated in the plan. The certificate is issued in consideration of the payment in advance of the required premium and of your statements and representations in the application. A copy of your application will be attached and made a part of the certificate. The certificate, on its effective date, automatically replaces any certificate or certificates previously issued to you under the plan.

Individual Termination – Your insurance will terminate on the earliest of the date the plan is terminated; on the 31st day after the premium due date if the required premium has not been paid; on the date you cease to meet the definition of an *employee* as defined in the plan; on the premium due date which falls on or first follows your 70th birthday; or on the date you are no longer a member of an eligible class.

Insurance for an insured Spouse or Dependent Child will terminate the earliest of the date the plan is terminated; the date the Spouse or Dependent Child ceases to be a dependent; or the premium due date following the date we receive written request to terminate coverage for an insured's Spouse and/or all Dependent Children.

Termination of any Covered Person's insurance under the certificate shall be without prejudice to his or her rights as regarding any claim arising prior thereto.

Portable Coverage – When coverage would otherwise terminate because the employee ends employment with the employer, coverage may be continued. The employee may continue the coverage that is in force on the date employment ends, including any in force spouse or dependent coverage. The employee must apply to us in writing within 31 days after the date that the insurance would terminate.

The employee will be allowed to continue the coverage until the earlier of the date the employee fails to pay the required premium or the date the group master policy is terminated. Coverage may not be continued if the employee fails to pay any required premium, the insured attains age 70, or the group master policy terminates.

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