

Senior Choice (for those age 50-85)



LOOKING AHEAD: FLEXIBLE CHOICE HOSPITAL INDEMNITY INSURANCE POLICY

A hospital indemnity policy to help protect
against the high costs of hospital expenses.

Together, all the way.[®]



Offered by Loyal American Life Insurance Company.

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Hospital costs can be expensive. Help protect yourself and your family.

It's no secret that hospital visits can be expensive. However, there are other hospital expenses that can prove costly, as well. This includes extended hospital stays. That's why having a supplemental hospital indemnity insurance policy could be a smart financial decision – one that provides additional protection for you and your loved ones.

What our base policy offers

- › Benefits are paid for hospital¹ confinements.
- › There are no network restrictions. That means you'll be paid the same amount no matter what hospital you choose.
- › Coverage can be for you, your spouse/domestic partner/Civil Union Partner and/or your family.
- › Policies are issued to individuals age 50 through 85.
- › Your policy is guaranteed renewable for life, regardless of your age or changes to your health.²

How your policy works

- › You and/or your covered spouse/domestic partner/Civil Union Partner, and child(ren) receive benefit payments – regardless of other insurance you may have – whenever you or your covered family member are admitted to a hospital or experience a covered, hospital-related event resulting from a covered injury or illness.
- › This is a fixed-benefit policy, meaning the policy will pay the specific amount you preselected, regardless of the amount charged by providers.
- › Benefits are paid directly to you.³ You can use your benefits for anything you want, including everyday expenses.
- › There is no deductible.
- › Benefits can help you cover out-of-pocket medical expenses.

1. The term "hospital" does not include a clinic or facility, including a skilled nursing facility or an urgent care center, or a unit of a hospital for: Rehabilitation, convalescent care, custodial care, educational or nursing care for the aged, care for chemical dependence or alcohol dependence, or used exclusively for the treatment of mental and nervous disorders.
2. Subject to the company's right to increase premiums on a class basis.
3. Benefits may be paid directly to the hospital upon assignment.



Being in a hospital is a challenging period – when recovery is a major concern. It's definitely not the time to be stressed about medical costs.

Prepare now. Get payments when you need them.

Major health insurance policies cover many medical costs, but they may not meet all of your expenses. For example, policies may include a deductible which must be met before the policy pays 100% of your benefits. Deductible amounts vary from policy to policy. However, they have one thing in common: They may put a dent in your household budget.

A Flexible Choice Hospital Indemnity Insurance policy, insured by Loyal American Life Insurance Company, can help you cover the amount of your out-of-pocket expenses. Your policy can also help with household expenses while you're hospitalized, such as pet-sitting, lawn care and more.⁴

Tom discovered the advantages of a hospital indemnity insurance policy.⁵

Tom is 66 and lives in Maine. Last winter, Tom caught pneumonia and spent four nights in the hospital. Even though Tom has a Medicare Advantage plan, his out-of-pocket expenses for the hospitalization cost him roughly \$1,000.

Fortunately Tom had purchased a Hospital Indemnity Insurance Senior Choice policy the previous summer. The policy paid him \$900 for his four-night hospital stay, covering his out-of-network costs.

Here's how it worked out for Tom

Tom's out-of-pocket expenses	\$1,000
Benefit amount from Tom's Senior Choice policy	
Hospital Admission Benefit	\$500
Hospital Confinement Benefit	\$100 x 4 days
Total amount paid to Tom	\$900

4. Benefits received in excess of medical expenses may be considered taxable income. Consult your tax advisor.

5. Example used for illustrative purposes only. These are examples only and actual coverage and benefit amounts will vary by policy design. Coverage is subject to all terms and conditions as specified in the policy.

Covered benefits

If you're faced with covered hospital-related expenses, we're here to help. The following benefits may be included in your policy. Please refer to the chart on page six of this brochure for coverage options, including benefit amounts payable. You have the opportunity to choose the benefits you want at rates that fit your budget.

Hospital Admission

You'll receive a benefit payment when you're admitted as an inpatient in a hospital due to a covered illness or injury. This hospital admission must occur within 90 days of the covered accident and the admission must be at the direction and under the treatment of a physician. This benefit is not payable for hospital admission of a newborn child following birth unless the child suffers a covered illness or covered injury.

Hospital Confinement

A daily benefit will be paid when you're confined in a hospital as an inpatient due to a covered illness or injury. Your hospital confinement must begin within 90 days of the covered accident and must be provided at the direction and under the treatment of a physician. If the insured person returns to the hospital within 90 days for the same or related illness or injury, we will count it as the same hospital confinement. Benefit payments are limited to a six- or 10-day benefit period and a maximum of four hospital confinements per insured person per calendar year. This benefit is not payable for hospital confinement of a newborn child following birth unless the child suffers a covered illness or covered injury.





What option is right for you?

There are many factors in choosing the right option, including costs, benefits provided and amounts that the benefits will pay. Your selections are based on what would make you feel most comfortable in terms of coverage and cost. Our Senior Choice policy is designed for those age 50 through 85 and is available in two different options.

Choose the payment amounts that work for you.

Once you've chosen an option (based on the amount of benefits you'd prefer), you can decide on the amount of coverage you would like. As the charts below illustrate, certain benefits offer a range of possible payments. For example, for hospital confinement, you can choose benefit payments that range from \$100 to \$225 a day.

A licensed insurance agent can work with you to help you determine what's right for you and your family. The following options show the payment amounts you'll be eligible to receive for specific benefits.

Senior Choice option one ⁶	
Benefits	Benefit payment amount options
Hospital confinement Choice of benefit in \$25 increments. Pays either six or 10 days. After the six or ten day period expires, this benefit pays \$40 per day for up to 31 days.	\$100–\$225 per day

Senior Choice option two ⁶		
Benefits	Benefit payment amount options	
Hospital admission	\$250	\$500
Hospital confinement Pays either six or 10 days. After the six or ten day period expires, this benefit pays \$40 per day for up to 31 days.	\$150	\$100

6. Plan design is permissible with a health savings account (HSA).

Exclusions, limitations and reductions

Refer to the policy for complete details, limitations and exclusions.

Hospital Indemnity Insurance Policy

In addition to any benefit-specific conditions, limitations, or exclusions, no benefits will be payable for a covered illness or injury which, directly or indirectly, in whole or in part, is caused by or results from any of the following:

1. An insured person's being intoxicated, as determined and defined by the laws and jurisdiction of the geographical area in which the injury or illness or cause of injury or illness was incurred, or under the influence of any narcotic unless administered under the advice of a physician and taken as prescribed. The insured person's alcohol or narcotic impairment must be the cause or contributing cause of his or her injury or sickness, irrespective of whether the injury or sickness occurred while the insured person was driving a motor vehicle or engaged in any other activity;
2. Elective or cosmetic surgery or complications of cosmetic surgery. This does not include reconstructive, cosmetic surgery:
 - i. Incidental to or following surgery for trauma, infection, or other disease of the involved part; or
 - ii. Due to congenital disease or anomaly of a covered Dependent Child which has resulted in a functional defect;
3. Commission or attempt to commit an illegal activity or a felony;
4. Any mental or nervous or emotional disorder, alcoholism, and drug addiction;
5. Illness, treatment, or medical condition arising out of:a war or act of war (whether declared or undeclared), participation in a riot or insurrection, Active-duty service in the military, naval or air force of any country or international organization. Upon our receipt of proof of service, we will refund any premium paid during the insured person's time of active duty. Reserve or National Guard active-duty training is not excluded, unless it extends beyond thirty-one (31) consecutive days; b) suicide (while sane or insane), attempted suicide, or intentionally self-inflicted injury; c) aviation other than as a fare-paying passenger on a regularly scheduled airline; d) with respect to short-term, nonrenewable policies: interscholastic sports;
6. We will not pay benefits for a covered illness or injury caused by, contributed to, or resulting from a Pre-Existing Condition during the first twelve (12) months that coverage is in force with respect to an insured person. The term Pre-Existing Condition means any covered illness or injury for which an insured person received medical treatment, advice or services, within twelve (12) months before the insured person's most recent effective date of coverage. This limitation will not apply to a covered illness or injury that occurs after the insured person is insured under this policy for at least twelve (12) months after the insured person's effective date of coverage. This Pre-Existing Condition will not apply to congenital anomalies of a covered Dependent Child.
7. Pregnancy or childbirth (except for complications of pregnancy, non-elective miscarriage, and non-elective abortion which are considered as any other illness), an elective abortion, or complications of such abortion;
8. Travel, activity or treatment outside the United States;
9. Voluntary self-administration 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.

Loyal American Life Insurance Company, PO Box 26580, Austin, TX 78755-0580.

THIS POLICY PAYS LIMITED BENEFITS ONLY. IT DOES NOT CONSTITUTE COMPREHENSIVE HEALTH INSURANCE COVERAGE AND IS NOT INTENDED TO COVER ALL MEDICAL EXPENSES. THIS COVERAGE DOES NOT SATISFY THE "MINIMUM ESSENTIAL COVERAGE" OR INDIVIDUAL MANDATE REQUIREMENTS OF THE AFFORDABLE CARE ACT (ACA). LACK OF MAJOR MEDICAL COVERAGE (OR OTHER MINIMUM ESSENTIAL COVERAGE) MAY RESULT IN AN ADDITIONAL PAYMENT WITH YOUR TAXES. THIS COVERAGE IS NOT MEDICAID OR MEDICARE SUPPLEMENT INSURANCE.

The full terms and conditions of coverage are stated in, and governed by, and issued by an Individual Hospital Indemnity insurance policy and riders. The brochure is designed as a marketing aid and provides a brief description of the important features of policy form series LY-HISR-BA-NJ. Refer to the policy for complete details, exclusions, limitations and reductions. In the event there are discrepancies with the information in this brochure, the terms and conditions of the coverage documents will govern. Product availability varies by state. For cost and complete details of coverage, contact your insurance agent/producer or the company.

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