

Group Hospital Indemnity Insurance



Reference Guide

Hospital Indemnity insurance from Standard Insurance Company can help protect employees' financial health. According to a study, half of U.S. adults don't have the cash to cover an unexpected \$500 health care bill¹. Hospital Indemnity insurance can help bridge the gap between what medical insurance covers and the out-of-pocket costs that come with a hospital stay. Benefit payments go directly to employees so they can spend the money where they need it most.

Employers can customize our plans to fit their medical insurance — with or without a Health Savings Account.

Key differentiators:

- 1 Pays benefits for hospitalization due to injuries, pregnancy and illnesses — including mental illness and COVID-19.²
- 2 Premium waived beginning on the 31st day of a hospital stay.
- 3 Pays benefits in addition to medical insurance, regardless of billed charges.
- 4 Employers can tailor up to three HSA-compatible plans or choose up to three plan designs that offer a wider range of benefits that aren't HSA compatible.
- 5 Optional Health Maintenance Screening Benefit.³

HSA-Compatible Hospital Indemnity Plans

Employers can customize the Hospital Indemnity plan design based upon the medical plan offered to employees. To enhance coverage, they can also choose optional benefits in addition to the daily hospital confinement benefit.

Plan Design Options

Benefits	Benefit Amount	Included or Optional	Days of Confinement or Frequency
Daily Hospital Confinement	\$100–\$500 per day (in \$50 increments)	Included	15, 30, 60, 90 or 365 days
Hospital Admission	\$500–\$2,000 (in \$500 increments)	Optional	Once per calendar year
Critical Care Unit Admission⁴ (pays in addition to the hospital admission benefit)	\$500–\$1,500 per day (in \$500 increments)		Once per calendar year
Daily Critical Care Unit Confinement (pays in addition to the daily hospital confinement benefit)	\$50–\$250 per day (in \$50 increments)		15, 30 or 60 days
Health Maintenance Screening	Pays \$50, \$75 or \$100 once per insured for receiving one of 20-plus covered health screenings, including testing for novel infectious diseases and mental health assessment ⁵		Once per calendar year

Hospital Indemnity Plans That Aren't Compatible With HSAs

Employers that aren't planning to offer a medical plan with an HSA can choose up to three plan designs — Select, Enhanced or Premier. They can also include optional benefits to enhance coverage.

Employers Can Choose Up to 3 Plan Designs to Offer Employees

Benefit	Select	Enhanced	Premier
Air Ambulance (once per calendar year)	N/A	N/A	\$500
Ground Ambulance (once per calendar year)	N/A	\$100	\$300
Emergency Room (once per calendar year)	N/A	\$100	\$100
Urgent Care (per calendar year)	\$50 up to 1	\$50 up to 3	\$50 up to 4
Daily Hospital Confinement (per confinement)	\$100/day up to 15 days	\$150/day up to 15 days	\$200/day up to 30 days
Hospital Admission (once per calendar year)	\$500	\$1,000	\$1,500
Daily Critical Care Confinement (pays in addition to the hospital confinement benefit; per confinement)	\$50/day up to 15 days	\$100/day up to 15 days	\$100/day up to 15 days
Critical Care Admission (once per calendar year; pays in addition to the hospital confinement benefit)	N/A	\$500	\$500
Follow-Up Care (per calendar year)	\$25 up to 1	\$25 up to 2	\$25 up to 4
Major Diagnostic Exam (per calendar year)	\$50 up to 1	\$50 up to 3	\$50 up to 4
Outpatient X-ray and Lab (per calendar year)	N/A	\$25 up to 1	\$50 up to 1
Hearing Device (one per lifetime)	\$500	\$1,000	\$1,500
Skilled Nursing Facility (per confinement)	N/A	\$50/day up to 15 days	\$50/day up to 30 days
Rehabilitation Facility (per confinement)	N/A	N/A	\$50/day up to 15 days
Inpatient Surgery (per calendar year)	N/A	\$500 up to 1	\$500 up to 2
Inpatient Surgical Anesthesia	N/A	25% of surgery benefit	25% of surgery benefit

Employers Can Customize a Non-HSA Plan With Optional Benefits⁶

Health Maintenance Screening Benefit

Pays \$50, \$75 or \$100 once per insured per calendar year for receiving one of 20-plus covered health screenings, including tests for lipid panel or mammography.

Inpatient Mental Disorder and Substance Abuse Benefit

Pays \$50 per day, up to 15 days per year.

Private Nurse Benefit

Pays \$50 per day, up to 15 days per year.

Outpatient Surgery Benefit

Pays \$250 or \$500 once per year.

Hospital Indemnity Insurance Details for All Plans

- Age-composite unisex rates
- Issue ages: 18 to 99 for employee and spouse, up to age 26 for children⁷
- Coverage options: Employees select the level of coverage: Employee only; Employee + Spouse; Employee + Child(ren); Family
- Pre-existing condition limitation: Options include none, 12/12, 6/12, 6/6, 3/12
- Termination age: 26 for children; No termination age for employee and spouse
- Eligibility:
 - Employee must be actively employed and working 20 hours per week
 - Eligible child(ren) up to age 26: Employee's child, adopted child, stepchild, foster child, dependent grandchild and any child living in the employee's home for whom the employee is the court-appointed guardian; a child chiefly dependent on the employee due to mental or physical handicap may also be eligible
 - Spouse: A person legally married to the employee, a civil union partner or person who meets legal or employer definitions of a domestic partner
- Continuation of coverage (portability): Employee eligible to port coverage if employment ends, the group policy terminates or employee is no longer a member; not eligible if disabled or age 80 or older (employee and spouse)
- Enrollment frequency: Employer can choose perpetual or annual enrollment
- Annual open enrollment: Individuals can enroll without answering EOI during the annual open enrollment
- Non-contributory coverage:
 - Employee or Employee + Dependent coverage
 - No dependent buy up

Scenario: HSA-Compatible Hospital Indemnity Plan

Jon's Potential Hospital Stay

Jon has a high-deductible health plan from his employer with a \$2,000 deductible. He's enrolled in The Standard's Hospital Indemnity plan. It provides \$150 per day for hospital confinement and \$50 per day for CCU confinement.

Jon was admitted to the hospital for an illness while traveling on vacation. A ground ambulance took him to a local hospital where he was admitted. He remained hospitalized for 10 days, including three days in the CCU.

Jon's Potential Benefits⁸

10 Days in Hospital:	\$150x10=\$1,500
3 Days in CCU:	\$50x3=\$150
Total Paid Benefits:	\$1,650

Jon can use his benefit check toward his \$2,000 medical deductible, leaving him with only \$350 in net out-of-pocket costs. Or he can spend it on other expenses.

Scenario: Enhanced Hospital Indemnity Plan

Kim's Potential Hospital Stay

Kim is at a client's office when she experiences severe abdominal pain. Diagnosis: ruptured gastric ulcer. She's rushed to the hospital by ambulance, admitted and has surgery. Kim is hospitalized for 10 days, including three in a critical care unit. After discharge, she follows up with her health care provider.

Kim's Potential Benefits: Enhanced Plan⁸

Ambulance:	\$100
Emergency Room:	\$100
Hospital Admission:	\$1,000
Surgery:	\$500
Anesthesia:	\$125
10 Days Confinement:	\$1,500
CCU Admission:	\$500
3 Days CCU Confinement:	\$300
Follow-Up Visit:	\$25
Total Paid Benefits:	\$4,150

Kim decides how to spend her benefit check. She can use it to cover her \$1,200 medical deductible and copays of \$2,500, with \$450 remaining. Or she can spend the money on other expenses.

Exclusions⁹

The following are excluded under the contract:

Benefits are not payable if an injury or sickness is caused or contributed to by any of the following:

- War or act of war. War means declared or undeclared war, whether civil or international; insurrection; and any substantial armed conflict between organized forces of a military nature.
- Attempted suicide or other intentionally self-inflicted injury, while sane or insane.
- Committing or attempting to commit an assault, felony or act of terrorism or actively participating in a violent disorder or riot. Actively participating does not include being at the scene of a violent disorder or riot while performing official duties.
- Alcoholism, drug abuse, misuse of alcohol or any other substance, the voluntary use or consumption of any drug or alcohol in excess of the legal limit in the state in which the injury occurred, or taking of drugs unless used or consumed according to the directions of a health care provider. (This exclusion does not apply to the Daily Substance Abuse Benefit.)
- Travel or flight in or on any aircraft, except:
 - As a fare-paying passenger on a regularly scheduled commercial flight
 - As a passenger or pilot in the policyholder's or employer's aircraft while flying on the policyholder's or employer's business provided:
 - The aircraft has a valid U.S. airworthiness certificate (or foreign equivalent)
 - The pilot has a valid pilot's certificate with a nonstudent rating authorizing him or her to fly the aircraft
- Dental care or dental procedures, unless treatment is the result of an injury.
- Routine newborn nursing or well-baby care.
- Hospital confinement of a newborn child following the child's birth unless the confinement is as a result of an injury or sickness.
- Riding in or driving any automobile in a race, stunt show or speed test.
- Surgery or other procedure that is directed at improving appearance, unless such surgery or procedure is necessary to correct a deformity or to restore bodily function resulting from an injury or sickness.
- Any injury or sickness that arises out of or in the course of incarceration in a jail, penal institution or correctional facility.

Limitations

While a pre-existing condition exclusion is not included in our Hospital Indemnity plans, an employer may choose to add it.

Pre-existing conditions can affect an insured's coverage if they occurred at any time during the 12-month period just before the date the insured's insurance becomes effective.

Pre-existing conditions are defined as any of the following:

- A mental or physical condition (whether or not diagnosed or misdiagnosed) for which an insured consulted a physician or other licensed medical professional; received medical treatment, services or advice; or has undergone diagnostic procedures including self-administered procedures; or taken prescribed drugs or medications.
- An insured's pregnancy.

- A mental or physical condition that was discovered or suspected as a result of any medical examination, including a routine examination.

No benefits will be paid if the sickness triggering a benefit or confinement is caused or contributed to by a pre-existing condition or medical or surgical treatment of a pre-existing condition, unless on the date the benefit would first become payable or a period of confinement begins:

- The insured individual has been continuously insured under the group policy for 12 months.
- The member has been actively at work for at least one full day(s) after the end of that 12 months.

Any confinements for the same or related sickness that are separated by not more than 30 days of non-confinement will be treated as one continuous period of confinement.

1 [100 Million People in America Are Saddled With Health Care Debt](#), Kaiser Family Foundation, June 16, 2022

2 Subject to the terms and conditions of the policy and certificate.

3 Health maintenance screening benefits are not available in all states. Please refer to the certificate of coverage for details.

4 The inclusion of a hospital admission and/or CCU admission benefits in a Hospital Indemnity plan may not be compatible with an HSA. Consult your own tax advisor for advice.

5 Novel infectious disease and mental health assessment tests are not approved in all states and are subject to the terms and conditions of the policy and certificate. Please reference your certificate of coverage to confirm these tests are available.

6 Optional benefits not available in all states or on all plans.

7 The issue age may be limited in some states

8 Costs are hypothetical and will vary by state, condition, treatment and individual.

9 Exclusions may vary by state.

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State-specific pre-ex language may apply. See chart of state variations for applicable time periods.

This is a limited benefit policy. Not all benefits are available in all states. Hospital Indemnity insurance is not available in all states. This policy has exclusions, limitations and terms under which the policy may be continued in force or terminated. The amount of benefits provided depends on the policy selected. Premium will vary according to the selection made. Please contact The Standard for additional information, including costs and complete details of coverage.

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