



# CONTINENTAL AMERICAN INSURANCE COMPANY

Columbia, South Carolina  
800.433.3036

## **Endorsement to Policy and Certificate of Insurance**

This Endorsement alters the Policy and the Certificate to which it is attached. Unless specifically addressed by this Endorsement, all other Policy and Certificate provisions, definitions, and terms continue to apply.

Continental American Insurance Company's mailing addresses for claims and premium payments are changed as listed below.

**Notice of Claim and Proof of Loss** should be mailed to the Company at:

P.O. Box 84075, Columbus, Georgia, 31993-9103

**Premium Payments** should be mailed to the Company at:

P.O. Box 84069, Columbus, Georgia, 31908-4069

If applicable, references to 2801 Devine Street, Columbia, SC 29205 are deleted.

Signed for the Company at its Home Office,

Teresa White, President

J. Matthew Loudermilk, Secretary

## IMPORTANT NOTICE

To obtain information or make a complaint:

**You may call Continental American Insurance Company's toll-free telephone number for information or to make a complaint at:**

**1-800-433-3036**

You may also write to Continental American Insurance Company at:

Post Office Box 427  
Columbia, South Carolina 29202

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights, or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax: (512) 490-1007  
Web: [www.tdi.texas.gov](http://www.tdi.texas.gov)  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

### **PREMIUM OR CLAIM DISPUTES:**

Should you have a dispute concerning your premium or about a claim, you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

### **ATTACH THIS NOTICE TO YOUR POLICY:**

This notice is for information only and does not become a part or condition of the attached document.

## AVISO IMPORANTE

Para obtener información o para presentar una queja:

**Usted puede llamar al número de teléfono gratuito de Continental American Insurance Company's para obtener información o para presentar una queja al:**

**1-800-433-3036**

Usted también puede escribir a Continental American Insurance Company:

Post Office Box 427  
Columbia, South Carolina 29202

Usted puede comunicarse con el Departamento de Seguros de Texas para obtener información sobre compañías, coberturas, derechos, o quejas al:

**1-800-252-3439**

Usted puede escribir al Departamento de Seguros de Texas a:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax: (512) 490-1007  
Sitio web: [www.tdi.texas.gov](http://www.tdi.texas.gov)  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

### **DISPUTAS POR PRIMAS DE SEGUROS O RECLAMACIONES:**

Si tiene una disputa relacionada con su prima de seguro o con una reclamación, usted debe comunicarse con la compañía primero. Si la disputa no es resuelta, usted puede comunicarse con el Departamento de Seguros de Texas.

### **ADJUNTE ESTE AVISO A SU PÓLIZA:**

Este aviso es solamente para propósito informativos y no se convierte en parte o en condición del documento adjunto.



# CONTINENTAL AMERICAN INSURANCE COMPANY

Columbia, South Carolina  
800.433.3036

## GROUP SHORT-TERM DISABILITY INSURANCE POLICY

**This coverage only pays benefits for short-term Disability as listed in the Benefit Schedule of this Policy. Benefits are paid for short-term Disability caused by Sickness or Off-the-Job Injury. This Policy does not provide benefits for any other Sickness or condition.**

**THIS IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. THE EMPLOYER DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THIS POLICY, AND IF THE EMPLOYER IS A NON-SUBSCRIBER, THE EMPLOYER LOSES THOSE BENEFITS WHICH WOULD OTHERWISE ACCRUE UNDER THE WORKERS' COMPENSATION LAWS. THE EMPLOYER MUST COMPLY WITH THE WORKERS' COMPENSATION LAW AS IT PERTAINS TO NON-SUBSCRIBERS AND THE REQUIRED NOTIFICATIONS THAT MUST BE FILED AND POSTED.**

**IF THE INSURED HAS ANY OTHER DISABILITY BENEFIT IN FORCE WITH US, ONLY ONE DISABILITY BENEFIT IS PAYABLE.**

Association of Professional Flight Attendants (the "Policyholder") applied for coverage under this Group Short-Term Disability Insurance Policy (the "Plan"). This Plan is issued by Continental American Insurance Company (the "Company," "we," "us," or "our"). Based on the Application and based on the timely payment of premiums, the Company agrees to pay the benefits provided on the following pages. (Please note that male pronouns—such as *he*, *him*, and *his*—are used for both males and females, unless the context clearly shows otherwise.)

You will notice that certain words and phrases (including some medical terms and the names of Plan documents) in this document are capitalized. These refer to terms with very specific definitions as they apply to this insurance Plan.

**This is a limited Plan. Please read it carefully.  
This policy is not a Medicare supplement policy.**

This Plan becomes effective on the Effective Date at 12:01 a.m., as determined by the Policyholder's address. Plan Termination is governed by Section I. The Plan continues to be effective while premiums are paid, as provided in Section II.

The Plan's first Anniversary Date appears below. Subsequent anniversaries will be the same date each following year.

The Policyholder may add new Members from time to time, according to the Plan's terms.

This Plan is a legal contract between the Company and the Policyholder. All material printed by the Company on the following pages is part of the Plan. This Plan is delivered in and governed by the laws of the jurisdiction shown below.

In witness whereof, the Company executes this Plan at its home office in Columbia, South Carolina, on the Effective Date.

Signed for the Company at its Home Office,

Teresa White, President

J. Matthew Loudermilk, Secretary

**Group Policy Number 25047  
Effective Date 03/01/2019  
Jurisdiction Texas**

**Anniversary Date 03/01/2020  
Non-Participating**

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# **Section I – Eligibility, Effective Date, Termination, and Continuation Privilege**

## **Eligibility**

A person is an eligible Member under this Plan if he meets **all** the following requirements:

- He is A Member of the Policyholder's group.
- He is engaged in full-time work.
- He is included in the class of Members eligible for coverage, as shown on the Application.

## **Effective Date**

The Plan's Effective Date is shown on Page 1.

A Member's Effective Date is the date his insurance takes effect. That date is **one of** the two following dates:

- The date that is shown on the Certificate Schedule if the Member is Actively at Work on that date.
- The date the Member returns to an Actively-at-Work status if he is not Actively at Work on the date that is shown on the Certificate Schedule.

## **Plan Termination**

The Plan may terminate for any of the following reasons.

- The premium is not paid before the end of the Grace Period.
- The Company cancels the Plan any time after the end of the first Policy year. To do this, the Company must give 31 days' written notice.
- The number of participating Members is less than the number mutually agreed upon by the Company and the Policyholder in the signed Master Application.

The Policyholder has the sole responsibility to notify Members of the Plan's termination. If the Plan terminates, it—and all Certificates and Riders issued under the Plan—will terminate on the specified termination date. The termination occurs as of 12:01 a.m. at the Policyholder's address.

If the Plan ends, we will provide coverage for claims arising from Disabilities that were first diagnosed while the Plan was in force.

## **Termination of a Member's Insurance**

A Member's insurance will terminate on whichever occurs first:

- The date the Company terminates the Plan.
- The 31st day after the premium due date, if the premium has not been paid.
- The date he no longer meets the Plan's definition of a Member.
- The date he no longer belongs to an eligible class.

If an Insured's coverage ends, we will provide coverage for claims arising from short-term Disability that was first diagnosed while his coverage was in force.

## **Continuation Privilege**

When a Member ends membership with the Policyholder and his coverage would otherwise end, that Member may choose to continue his coverage under this Plan. The Member may continue the coverage that he had on the date his membership ended.

To keep his Certificate in force, the Member must meet the following three requirements:

- He must apply to the Company in writing within 31 days after the date his insurance would otherwise terminate.
- He must pay the required premium — the premium in effect at the time of port — to the Company no later than 31 days after the date the Certificate would otherwise terminate and on each premium due date thereafter.
- He must be engaged in full-time work.

Coverage will end:

- 31 days after the date the Member fails to pay any required premium, **or**
- The date this Group Plan is terminated, whichever occurs first.

If a Member qualifies for this Continuation Privilege, then the Company will apply the same Benefits, Plan Provisions, and Premium Rate as shown in his previously issued Certificate.

## **Section II – Premium Provisions**

### **Premium Calculations**

The Schedule of Premiums determines the premium amount payable on any premium due date. The rates shown in this Schedule can be changed each year after the rate guarantee period has expired. The Company will give the Policyholder written notice 60 days before any change in rates becomes effective.

### **Premium Payments**

The first premiums are due on this Plan's Effective Date. After that, premiums are due on the first day of each month that the Plan remains in effect.

Aggregate premiums for this Plan should be paid to the Company at its Home Office in Columbia, South Carolina. Payment of any premium will not keep the Plan in force beyond the due date of the next premium, except as set forth in the Grace Period.

### **Grace Period**

This Plan has a 31-day Grace Period. If a renewal premium is not paid on or before its due date, the premium may be paid during the next 31 days. During the Grace Period, the Plan will stay in force, unless the Policyholder has given the Company written notice of its intention to discontinue the Plan.

## **Section III – Definitions**

When the terms below are used in this Plan, the following definitions will apply:

*Actively at Work* refers to an Insured's ability to perform his regular employment duties for a full normal workday. The Insured may perform these activities either at his employer's regular place of business or at a location where the Insured may be required to travel to perform the regular duties of his employment.

**Base Annual Pay** is the Member's annual income from his Full-Time Job with the Policyholder. This pay excludes overtime pay, bonuses, or any other special pay.

**Benefit Period** is the maximum number of days *after* the Elimination Period, if any, for which the Insured can be paid benefits for any Period of Disability. Each new Benefit Period is subject to a new Elimination Period. See the Benefit Schedule for the Benefit Period.

For the purposes of this calculation, a "month" is defined as 30 days for which benefits are paid.

**Complications of Pregnancy** refers to:

- Conditions requiring Medical Treatment that comes before or comes after the termination of a pregnancy. The diagnoses for this Medical Treatment must be distinct from pregnancy but either adversely affected by pregnancy or caused by pregnancy. For a condition to be a Complication of Pregnancy, it must constitute a classifiably distinct pregnancy complication. Examples of such Complications of Pregnancy are:
  - Acute nephritis,
  - Nephrosis,
  - Cardiac decompensation,
  - Missed abortion,
  - Disease of the vascular, hemopoietic, nervous, or endocrine systems, and
  - Similar medical and surgical conditions of comparable severity.
- Further Complications of Pregnancy include:
  - Hyperemesis gravidarum and pre-eclampsia requiring hospital confinement,
  - Ectopic pregnancy that is terminated, and
  - Spontaneous termination of pregnancy that occurs during a period of gestation in which a viable birth is not possible.

Complications of Pregnancy *do not include* the following conditions:

- multiple gestation pregnancy.
- false labor.
- occasional spotting.
- morning sickness.

Complications of Pregnancy do not include other similar conditions associated with the management of a difficult pregnancy not constituting a nosologically distinct complication of pregnancy.

Elective cesarean deliveries are not considered Complications of Pregnancy.

**Daily Disability Benefit** is one-thirtieth of the applicable monthly Disability benefit shown on the Benefit Schedule.

### **Disability**

- **Total Disability** refers to the Insured's being under the care and attendance of a Doctor due to a condition that causes his inability to perform the material and substantial duties of his Full-Time Job with the employer. To qualify as Total Disability, the Insured may not be working at any job.
- **Partial Disability** refers to the Insured's being under the care and attendance of a Doctor due to a condition that causes his inability to perform the material and substantial duties of his Full-Time Job. To qualify as Partial Disability, the Insured is able to work at any job earning less than **80** percent of the Base Annual Pay of his Full-Time Job at the time he became disabled.

**Doctor** is defined as a person who meets **all** the following criteria:

- A person who is legally qualified to practice medicine.
- A person who is licensed as a physician by the state where Treatment is received.

A Doctor does **not** include the Insured or the Insured's Family Member.

**Elimination Period** is the number of continuous days at the beginning of the Insured's Period of Disability for which no benefits are payable. See the Benefit Schedule for the Elimination Period. Each new Benefit Period is subject to a new Elimination Period.

**Member** is a person who meets eligibility requirements under **Section I – Eligibility**, and who is covered under this Plan. The Member is the Insured under this Plan.

**Family Member** includes anyone related to the Insured in the following manner: spouse, brothers or sisters (includes stepbrothers and stepsisters); children (includes stepchildren); parents (includes stepparents); grandchildren, father- or mother-in-law; as applicable.

**Full-Time Job** refers to a job at which the Insured works, performing his occupational duties for pay or benefits, for the required number of hours per week. This requirement appears under the Eligibility section of the Benefit Schedule.

**Injury** refers to an Off-the-Job bodily injury not otherwise excluded. An Injury meets **all** the following criteria:

- It is directly caused by a covered accident.
- It is not caused by Sickness, disease, bodily infirmity, or any other cause.
- It occurs on or after the Effective Date of coverage and while coverage is in force.

**Insured** means the eligible person whose coverage under the Certificate becomes effective. The Insured is named on his Certificate Schedule. The Insured is always the covered eligible Member under an employer group Policy.

**Medically Necessary** refers to Treatment, services, or supplies that are necessary and appropriate for the diagnosis or Treatment of a Sickness or an Injury based upon generally accepted medical practice.

**Mental Illness** is defined as a Total Disability resulting from psychiatric or psychological conditions, regardless of cause. Mental Illness includes but is not limited to the following: bipolar affective disorder (manic-depressive syndrome), delusional (paranoid) disorders, psychotic disorders, somatoform disorders (psychosomatic illness), eating disorders, schizophrenia, anxiety disorders, depression, stress, post-partum depression, personality disorders and adjustment disorders. It also includes any other condition usually treated by a Doctor, mental health provider, or other qualified provider using psychotherapy, psychotropic drugs or other similar modalities used in the treatment of the above conditions.

**Off-the-Job Injury** means an Injury that occurs while the Insured is not working at any job for pay or benefits.

**On-the-Job Injury** means an Injury that occurs while the Insured is working at any job for pay or benefits.

**Period of Disability** means the length of time the Insured is either Totally Disabled or Partially Disabled from one or more causes. It starts the first full day of Total Disability or Partial Disability after the Insured ceases to be Actively at Work for the Policyholder. It ends on the **earlier** of the following two dates:

- The date the Insured ceases to be Totally Disabled or Partially Disabled.
- The date the Insured returns to an Actively at Work status for any employer.



**Sickness** refers to a covered illness, disease, infection, or any other abnormal physical condition. Sickness must meet **all** the following criteria:

- It must not be caused by an Injury.
- It first manifested and was first treated after the Effective Date of coverage.
- It occurs while coverage is in force.

**Treatment or Medical Treatment** is the consultation, care, or services provided by a Doctor. This includes receiving any diagnostic measures and taking prescribed drugs and medicines.

## Section IV – Benefit Provisions

The benefit amounts payable under this section are shown in the Benefit Schedule.

**We will pay the following benefits, as applicable, if the Insured’s Disability is caused by a covered Sickness or covered Injury and occurs while this coverage is in force. All benefits are subject to the Limitations and Exclusions, Pre-existing Condition Limitations, and other Policy terms.**

Benefits will be paid for only one Disability at a time, even if the Disability is caused by more than one Sickness, more than one Injury, or a Sickness and an Injury. **We reserve the right to meet with the Insured while a claim is pending, or to use an independent consultant and Doctor’s statement to determine whether the Insured is qualified to receive Disability benefits.**

**The Insured must be under the care and attendance of a Doctor for these benefits to be payable. Benefits will cease on the date of the Insured’s death.**

### Separate Periods of Disability

#### SAME OR RELATED CONDITION

Separate Periods of Disability resulting from the **same condition or a related condition** are considered a continuation of the prior Disability if they are not separated by 180 days or more.

Once the maximum *Total Disability Benefit Period* or maximum *Partial Disability Benefit Period* has been paid, the Insured will not be eligible for a new *Total Disability Benefit Period* or for a new *Partial Disability Benefit Period* for Disability due to the **same condition or a related condition**, until **180** days after **all** the following conditions are met:

- He has been released by a Doctor from the prior Disability.
- He is no longer disabled.
- He is no longer qualified to receive any Disability benefits under this Policy.

After his Disability Benefit Period, the Insured may continue his coverage if **all** the following conditions are met:

- He returns to work within 90 days after his Benefit Period ends.
- Premium payments for his coverage resumes upon his return to work.
- The group Policy is still in force upon his return to work.

#### UNRELATED CAUSES

Separate Periods of Disability resulting from **unrelated causes** are considered a continuation of the prior Disability if they are not separated by the Insured’s returning to work at a Full-Time Job for 30 consecutive days, during which he is performing the material and substantial duties of that job.

Once the maximum *Total Disability Benefit Period* or maximum *Partial Disability Benefit Period* has been paid, the Insured will not be eligible for a new *Total Disability Benefit Period* or for a new *Partial Disability Benefit Period* for Disability due to an **unrelated cause**, until 30 consecutive days after **all** the following conditions are met:

- He has been released by a Doctor from a prior Disability.
- He is no longer disabled.
- He is no longer qualified to receive any Disability benefits under this Policy.

After his Disability Benefit Period, the Insured may continue his coverage if **all** the following conditions are met:

- He returns to work within 90 days after his Benefit Period ends.
- Premium payments for his coverage resumes upon his return to work.
- The group Policy is still in force upon his return to work.

Periods of Disability meeting either of these separation requirements will begin a new *Total Disability Benefit Period* or a new *Partial Disability Benefit Period* (a maximum of 3 months), subject to a new Elimination Period.

The Partial Disability Benefit has its own Benefit Period; it is not subject to the Total Disability Benefit Period. An insured may be eligible for the Partial Disability Benefit even if he had not received the Total Disability Benefit.

### **TOTAL DISABILITY BENEFIT: SICKNESS or OFF-THE-JOB INJURY**

If the Insured has a Full-Time Job at the time of his Sickness or Off-the-Job Injury, we will insure him as follows while coverage is in force:

If the Insured's covered Sickness or covered Off-the-Job Injury causes his Total Disability within **90** days of his last Treatment for his covered Sickness or covered Off-the-Job Injury, we will pay him the Daily Disability Benefit for each day of his Total Disability. This benefit is payable up to the Total Disability Benefit Period and is subject to the Elimination Period shown in the Benefit Schedule. The Total Disability Benefit Period begins after the Elimination Period has been satisfied. Also see the Uniform Provision titled "Term," and the definition of "Benefit Period."

The Insured will no longer be qualified to receive this benefit upon the earlier of his: (1) being released by his Doctor to perform the material and substantial duties of his Full-Time Job, or (2) working at any job earning **80** percent or more of his pre-Disability Base Annual Pay.

### **PARTIAL DISABILITY BENEFIT: SICKNESS or OFF-THE-JOB INJURY**

If the Insured has a Full-Time Job at the time of his Sickness or Off-the-Job Injury, we will insure him as follows while coverage is in force:

If the Insured's covered Sickness or covered Off-the-Job Injury causes his Partial Disability within **90** days of his last Treatment for his covered Sickness or covered Off-the-Job Injury, we will pay **50** percent of the Daily Disability Benefit for each day of his Partial Disability. This benefit is payable up to the Partial Disability Benefit Period (a maximum period of 3 months) and is subject to the Elimination Period. The Partial Disability Benefit Period and the Elimination Period appear in the Benefit Schedule. The Partial Disability Benefit Period begins after the Elimination Period has been satisfied and after the Insured returns to work earning less than **80** percent of the Base Annual Pay of his Full-Time job.

The Insured will no longer be qualified to receive this benefit upon the earlier of his: (1) being released by his Doctor to perform the material and substantial duties of his Full-Time Job, or (2) working at any job earning **80** percent or more of his pre-Disability Annual Income.

### **WAIVER OF PREMIUM BENEFIT**

If the Insured's covered Sickness or covered Off-the-Job Injury causes his Total Disability or Partial Disability for more than 90 consecutive days while this coverage is in force, we will waive, from month to month, the premium for the Certificate and any applicable rider(s) for as long as he remains disabled, up to the applicable Benefit Period shown in the Benefit Schedule.

For premiums to be waived, we will require an employer's statement and a Doctor's statement certifying the Insured's inability to perform his customary duties or activities, and may each month thereafter require a Doctor's statement that his inability to perform those duties or activities continues. We may ask for and use an independent consultant to determine the Insured's Disability when this benefit is in force.

All premiums must be paid to keep an Insured's Certificate and any applicable rider(s) in force until we approve his claim for this Waiver of Premium Benefit. Premium payments for the Insured must resume the earlier of his returning to work or within 90 days after he no longer qualifies for Disability benefits.

**The Waiver of Premium Benefit is not available with a three-month Total Disability Benefit Period.**

### **EXTENSION OF BENEFITS**

If your coverage ends, we will provide coverage for claims that arise from a short-term Disability that was first Diagnosed while your coverage was in force. If you are Totally Disabled on the date your coverage ends, we will provide benefits for at least the lesser of:

- 90 days; or
- The duration of the Total Disability.

## **Section V – Limitations & Exclusions Provisions**

### **Pre-Existing Conditions Limitation**

*Pre-existing Condition* is an illness, disease, infection, disorder, pregnancy, or injury that existed within the 12-month period before the Insured's Effective Date. For a condition to have been Pre-existing:

- a Doctor must have advised, diagnosed, or treated the Insured, **or**
- it must be a condition that would ordinarily cause a prudent person to seek medical advice or treatment.

We will **not** pay benefits for any Disability resulting from or affected by a Pre-existing Condition if the Disability began within the 12-month period after the Insured's Effective Date.

This limitation does **not** apply to a loss incurred or a Disability beginning after the end of 12 consecutive months, beginning on the Insured's Effective Date of coverage, during which the Insured has not received medical advice or treatment in connection with the Pre-Existing Condition.

### **Pregnancy Limitation**

**Within the first nine months of the Effective Date of coverage**, we will *not* pay benefits for a Disability that is caused by, or occurs as a result of, the Insured's Pregnancy or childbirth. Disability due to Complications of Pregnancy will be covered to the same extent as a covered Sickness.

**After this coverage has been in force for nine months from the Effective Date of coverage**, Disability benefits for childbirth *will be* payable. The maximum Period of Disability allowed for Disability due to childbirth is **six weeks for noncesarean delivery** and **eight weeks for cesarean delivery**, less the Elimination Period, unless the Insured furnishes proof that her Disability continues beyond these time frames due to Complications of Pregnancy.

### **Replacement**

If this Plan replaces another carrier's Short Term Disability plan, we will provide coverage for individuals who were covered under the preceding plan provided that:

- They are a member of a class eligible for coverage under this Plan;
- They satisfy this Plan's Actively at Work and non-confinement requirements; and
- They elect to be covered under this Plan.

If an individual who would otherwise be covered under this Plan does not satisfy this Plan's Actively at Work and non-confinement requirements, that individual may be covered under this Plan when he satisfies those requirements.

### **CONTINUITY OF COVERAGE UPON REPLACEMENT**

When we replace another carrier's plan, we provide the following Continuity of Coverage protection. We provide this coverage for loss due to a Pre-existing Condition for covered Members who were insured under the prior plan at the time of transfer.

Benefits may be payable for a loss due to a pre-existing condition for a Member if **all** of the following conditions are met:

- He was insured by the prior carrier at the time of transfer.
- He was actively employed and insured under this Plan on its Effective Date.
- His Benefit Period and Elimination Period under his prior coverage is the same as, or less than, his Benefit Period and Elimination Period under this Plan.

The benefits will be determined as follows:

- We will apply this Plan's Pre-existing Conditions Limitation. If the Member qualifies for benefits, he will be paid according to his Certificate's Benefit Schedule.
- If the Member cannot satisfy this Plan's Pre-existing Conditions Limitation, the prior carrier's pre-existing condition limitation will be applied:
  - If the Member satisfies the prior carrier's pre-existing condition limitation, giving consideration towards continuous time insured under both policies, he will be paid according to the prior carrier's benefit schedule (including benefit period, elimination period, and maximum monthly benefit).
  - If he cannot satisfy the Pre-existing Conditions Limitation of this Policy, or that of the prior carrier, no benefit will be paid.

### **Limitations and Exclusions**

- A. We will not pay benefits whenever coverage provided by this Policy is in violation of any U.S. economic or trade sanctions. If the coverage violates U.S. economic or trade sanctions, such coverage shall be null and void.
- B. We will not pay benefits whenever fraud is committed in making a claim under this coverage.
- C. We will not pay benefits for a Disability that is caused by or occurs as a result of:
  1. Any act of war, declared or undeclared; insurrection; rebellion; or act of participation in a riot.
  2. Actively serving in any of the armed forces, or units auxiliary thereto, including the National Guard or Reserve.
  3. An intentionally self-inflicted Injury.
  4. A commission of a crime for which the Insured has been convicted; we will not pay a benefit for any Period of Disability during which the Insured is incarcerated.
  5. Travel in, or jumping or descent from any aircraft, except when a fare-paying passenger in a licensed passenger aircraft.
  6. Mental Illness as defined in **Section III – Definitions**.
  7. Alcoholism or drug addiction.
  8. An Injury arising from any employment.
  9. Injury or Sickness covered by Worker's Compensation.

**Benefits will be paid for only one Disability at a time, even if the Disability is caused by more than one Sickness, more than one Injury, or a Sickness and an Injury.**

## **Section VI – Claim Provisions**

### **Notice of Claim**

The Insured must give written notice of claim:

- Not later than the 20<sup>th</sup> day after a diagnosis of Disability **or**
- As soon as reasonably possible.

Notice must include the Insured's name and the Certificate number. Notice can be mailed to the Company at:

**P.O. Box 427, Columbia, South Carolina, 29202.**

### **Claim Forms**

When the Company receives notice of a claim, we will send the Insured forms so that he can file Proof of Loss (details included in the **Proof of Loss** section below).

If the Company does not provide the forms before the 16<sup>th</sup> day after the date we received notice of claim, the Insured can meet Proof of Loss requirements by providing a written statement about the nature and extent of the loss. The Insured will also need to provide a statement by the treating Doctor. The Insured must provide this information within the time limit stated in the **Proof of Loss** section.

### **Proof of Loss**

*Proof of Loss* refers to all documentation that supports a claim (this information is often found in standardized medical documents, such as hospital bills and operative reports). The Insured must provide Proof of Loss to the Company at:

**P.O. Box 427, Columbia, South Carolina, 29202.**

The Insured must provide Proof of Loss documentation not later than the 90<sup>th</sup> day after the beginning of the period for which the insurer is liable. However, the Company will not invalidate or reduce any claim if it was not reasonably possible for the Insured to provide this proof within the required time.

The Insured must provide the proof as soon as reasonably possible. The Company will not accept proof any later than one year and three months after diagnosis of the Disability, except in the absence of the Insured's legal mental capacity.

### **Prompt Payment of Benefits**

For benefits other than for loss of time, the Company will, once we receive the required Proof of Loss, pay, deny, or settle each submitted claim not later than the 60<sup>th</sup> day after the date proof of loss is received. Subject to written Proof of Loss, all accrued benefits payable under the policy for loss of time will be paid at least monthly during the period for which the insurer is liable. Any balance remaining unpaid at the end of that time will be paid as soon as possible after the proof of loss is received.

### **Payment of Claims**

We will pay all benefits to the Insured unless otherwise assigned. For any benefits that remain unpaid at the time of death, we will pay those benefits in the following order:

1. To the beneficiary designated by the Insured or the beneficiary's assignee.
2. To the Insured's surviving spouse.
3. To the Insured's estate.

### **Changing of Beneficiary**

The Insured can ask us to change his beneficiary at any time. The request must be in writing and it will go into effect the day the Insured signs the request. The change will not have any bearing on payments made before we approved the request.

### **Unpaid Premium**

When a claim is paid, we may deduct any premium due and unpaid from the claim payment.

## **Physical Examination and Autopsy**

The Company may have an Insured examined as often as reasonably necessary while a claim is pending. In the case of death, the Company may also require an autopsy, unless prohibited by law. The Company will cover all costs for exams or autopsy.

## **Legal Action**

The Insured cannot take legal action against us for benefits under this Plan:

- Within 60 days after he has sent us written Proof of Loss; **or**
- More than 3 years from the time written proof is required to be given.

## **Notice of Acceptance or Denial of Claim**

CAIC will notify the Insured in writing of the acceptance or denial of a claim no later than the fifteenth business day after the date we receive all items, statements, and forms we require to secure final proof of loss. However, if we are unable to accept or deny the claim within that time period, we will, within the same period, notify the Insured of the reasons we need additional time. CAIC shall accept or deny the claim not later than the 45<sup>th</sup> day after the date we notify the Insured of the need for additional time.

If CAIC denies a claim, the reason for the denial will appear in the denial notification.

## **Section VII – General Provisions**

### **Assignment**

We will not assume responsibility for determining the validity of an assignment of the Insured's benefits to a provider of services. No such assignment of benefits will be recognized until we receive notice that the Insured has specifically assigned the benefits of his Group Short-Term Disability Insurance Certificate.

### **Other Insurance With Continental American Insurance Company**

If the Insured is covered under more than one Continental American Insurance Certificate with Disability benefits, only one Disability benefit chosen by the Insured or the Insured's estate, as the case may be, will be effective. We will return all premiums paid for the canceled benefits from the date of duplication, less any benefits paid under these policies from such date.

### **Entire Contract Changes**

The *Entire Contract of Insurance* is made up of:

- this Policy
- the Master Application
- Certificates
- endorsements
- benefit agreements **and**
- riders (if any).

All statements (excluding fraudulent ones) that the Policyholder or an Insured has made in the Application will be considered representations, **not** warranties. A statement made by the Policyholder or an Insured may not be used in any contest under the Plan, unless a copy of the written instrument containing the statement is or has been provided to:

- The person making the statement; or
- If the statement was made by the Insured and the Insured has died or become incapacitated, the Insured's beneficiary or personal representative.

This will ensure that Policyholders or Insureds have an opportunity to review the information they have provided in their Applications. The Company *will not* void insurance or reduce benefits (as a result of statements made on the Application) without sending Application copies as outlined above.

Changes to this Plan:

- will not be valid unless approved in writing by an executive officer of the Company.
- must be noted on or attached to the Contract.
- may not be made by any agent (nor can an agent waive any Plan provisions).

Any Rider, Endorsement, or Application that modifies, limits, or excludes coverage under this Plan must be signed by the Insured to be valid.

### **Time Limit on Certain Defenses**

After two years from the Effective Date of the Insured's coverage, no misstatements, except fraudulent misstatements, made by the Insured in the Application shall be used to void his coverage or to deny a claim for Disability commencing after the expiration of such two-year period.

No claim for loss incurred or Disability commencing after 12 months from the Effective Date of coverage shall be reduced on the grounds that a Sickness or physical condition, not excluded from coverage by name or specific description, had existed before the Effective Date of coverage. Coverage for Pre-existing Conditions will not be reduced or denied after the Insured's coverage has been in force 12 months.

### **Misstatement of Age**

If the Insured's age has been misstated on the Application, the benefits will be those the premium paid would have purchased at the correct age. We will refund all unearned premiums paid, less any benefits paid, if the Insured's misstated age at the time of Application was outside the age limits for his coverage.

### **Misstatement of Occupation or Income**

If the Insured's occupation has been misstated, the benefits will be those that the premiums paid would have purchased for his correct occupation. If his income has been misstated, the benefit payable will be that which would have been allowed for his true income level, and any overpayment of premium will be refunded.

### **Clerical Error**

Clerical error by the Policyholder will not end coverage or continue terminated coverage. In the event of a clerical error, we will make a premium adjustment.

### **Individual Certificates**

We will give the Policyholder a Certificate for each Member. The Certificate will set forth:

- The coverage,
- To whom benefits will be paid, **and**
- The rights and privileges under the Plan.

### **Required Information**

The Policyholder will furnish all information and proofs which we may reasonably require with regard to the Plan.

### **Conformity With State Statutes**

This Plan was issued on its Effective Date in the state noted on the Master Application. Any Plan provision that conflicts with that state's statutes is amended to conform to the minimum requirements of those statutes.

## Section VIII – Benefit Schedule

### ELIGIBILITY

All Full-Time Members working at least 0 hours or more weekly, who are Actively at Work, and have completed at least 0 months of continuous membership with the Policyholder's group.

### BENEFIT PERIOD

Benefit	Benefit Period
Total Disability (Non-Occupational)	6 Months
Partial Disability	3 Months

### ELIMINATION PERIOD

Total and/or Partial Disability	Elimination Period
Injury	7 Days
Sickness	7 Days

## Section IX – Schedule of Premiums

The Monthly Benefit Amount for Total Disability issued is subject to 50% of the eligible Member's Base Annual Pay.\*

### BENEFIT AMOUNTS

Minimum	3 units (\$300/Month)
Maximum	60 units (\$6,000/Month)
The percentage of income replacement may vary for state-sponsored disability programs for Members who reside in: California, Hawaii, New Jersey, New York, Puerto Rico, Rhode Island	

\***Base Annual Pay** is the Member's annual income from his Full-Time Job with his employer. This pay excludes overtime pay, bonuses, or any other special pay.

The maximum benefit for which the Member is eligible to apply will be reduced by any other group, individual, or franchise Disability Income coverage to be continued.

Any increase in the Monthly Disability Benefit due to an increase in earnings is subject to written Application to and acceptance by Continental American Insurance Company. Evidence of insurability may be required.



## **PREMIUMS**

The table below shows the premiums applicable to the Plan on the Effective Date. The rates shown are for each \$100.00 of monthly benefit amount and include the rate for Partial Disability Benefits. Rates can be changed annually.

**RATES TABLE FOR: APFA - GP-8257 / GROUP DISABILITY - PLAN-52309**

**DEDUCTION FREQUENCY:** Semimonthly (24pp / yr)

<b>Age Band</b>	<b>18-49</b>	<b>50-64</b>	<b>65-74</b>
Premium Rate	2.52637	2.58532	3.28181

**Enrollment Rates**

<b>Annual Salary Range</b>	<b>Monthly Benefit</b>	<b>Age 18-49</b>	<b>Age 50-64</b>	<b>Age 65-74</b>
\$9,000 to \$9,599	\$300	\$7.58	\$7.76	\$9.85
\$9,600 to \$11,999	\$400	\$10.10	\$10.34	\$13.13
\$12,000 to \$14,399	\$500	\$12.63	\$12.93	\$16.41
\$14,400 to \$16,799	\$600	\$15.16	\$15.51	\$19.69
\$16,800 to \$19,199	\$700	\$17.68	\$18.10	\$22.97
\$19,200 to \$21,599	\$800	\$20.21	\$20.69	\$26.26
\$21,600 to \$23,999	\$900	\$22.74	\$23.27	\$29.54
\$24,000 to \$26,399	\$1,000	\$25.26	\$25.86	\$32.82
\$26,400 to \$28,799	\$1,100	\$27.79	\$28.44	\$36.10
\$28,800 to \$31,199	\$1,200	\$30.31	\$31.02	\$39.38
\$31,200 to \$33,599	\$1,300	\$32.84	\$33.60	\$42.67
\$33,600 to \$35,999	\$1,400	\$35.37	\$36.19	\$45.95
\$36,000 to \$38,399	\$1,500	\$37.89	\$38.78	\$49.23
\$38,400 to \$40,799	\$1,600	\$40.42	\$41.36	\$52.51
\$40,800 to \$43,199	\$1,700	\$42.95	\$43.95	\$55.79
\$43,200 to \$45,599	\$1,800	\$45.47	\$46.53	\$59.08
\$45,600 to \$47,999	\$1,900	\$48.00	\$49.12	\$62.36
\$48,000 to \$50,399	\$2,000	\$50.52	\$51.71	\$65.64
\$50,400 to \$52,799	\$2,100	\$53.05	\$54.29	\$68.92
\$52,800 to \$55,199	\$2,200	\$55.58	\$56.88	\$72.20
\$55,200 to \$57,599	\$2,300	\$58.10	\$59.46	\$75.49
\$57,600 to \$59,999	\$2,400	\$60.63	\$62.05	\$78.77
\$60,000 to \$62,399	\$2,500	\$63.16	\$64.63	\$82.05
\$62,400 to \$64,799	\$2,600	\$65.68	\$67.22	\$85.33
\$64,800 to \$67,199	\$2,700	\$68.21	\$69.81	\$88.61
\$67,200 to \$69,599	\$2,800	\$70.73	\$72.39	\$91.89
\$69,600 to \$71,999	\$2,900	\$73.26	\$74.98	\$95.18
\$72,000 to \$74,399	\$3,000	\$75.79	\$77.56	\$98.46
\$74,400 to \$76,799	\$3,100	\$78.31	\$80.15	\$101.74
\$76,800 to \$79,199	\$3,200	\$80.84	\$82.73	\$105.02
\$79,200 to \$81,599	\$3,300	\$83.37	\$85.32	\$108.30
\$81,600 to \$83,999	\$3,400	\$85.90	\$87.91	\$111.58
\$84,000 to \$86,399	\$3,500	\$88.43	\$90.48	\$114.86
\$86,400 to \$88,799	\$3,600	\$90.95	\$93.07	\$118.14

\$88,800 to \$91,199	\$3,700	\$93.48	\$95.65	\$121.42
\$91,200 to \$93,599	\$3,800	\$96.01	\$98.24	\$124.70
\$93,600 to \$95,999	\$3,900	\$98.53	\$100.82	\$127.99
\$96,000 to \$98,399	\$4,000	\$101.06	\$103.41	\$131.27
\$98,400 to \$100,799	\$4,100	\$103.58	\$106.00	\$134.55
\$100,800 to \$103,199	\$4,200	\$106.11	\$108.58	\$137.83
\$103,200 to \$105,599	\$4,300	\$108.64	\$111.17	\$141.11
\$105,600 to \$107,999	\$4,400	\$111.16	\$113.75	\$144.40
\$108,000 to \$110,399	\$4,500	\$113.69	\$116.34	\$147.68
\$110,400 to \$112,799	\$4,600	\$116.22	\$118.92	\$150.96
\$112,800 to \$115,199	\$4,700	\$118.74	\$121.51	\$154.24
\$115,200 to \$117,599	\$4,800	\$121.27	\$124.10	\$157.52
\$117,600 to \$119,999	\$4,900	\$123.79	\$126.68	\$160.81
\$120,000 to \$122,399	\$5,000	\$126.32	\$129.27	\$164.09
\$122,400 to \$124,799	\$5,100	\$128.85	\$131.85	\$167.37
\$124,800 to \$127,199	\$5,200	\$131.37	\$134.44	\$170.65
\$127,200 to \$129,599	\$5,300	\$133.90	\$137.02	\$173.93
\$129,600 to \$131,999	\$5,400	\$136.43	\$139.61	\$177.22
\$132,000 to \$134,399	\$5,500	\$138.95	\$142.20	\$180.50
\$134,400 to \$136,799	\$5,600	\$141.48	\$144.78	\$183.78
\$136,800 to \$139,199	\$5,700	\$144.00	\$147.37	\$187.06
\$139,200 to \$141,599	\$5,800	\$146.53	\$149.95	\$190.34
\$141,600 to \$143,999	\$5,900	\$149.06	\$152.53	\$193.63
\$144,000 or more	\$6,000	\$151.58	\$155.12	\$196.91



# CONTINENTAL AMERICAN INSURANCE COMPANY

Columbia, South Carolina

800.433.3036

## NOTICE OF NON-INSURANCE BENEFITS ENDORSEMENT

**This Endorsement is added to and part of the Policy to which it is attached.**

Continental American Insurance Company (CAIC) may offer or provide goods and/or services that are not related to insurance. The services will fall under the same benefit plan that includes or is related to the applicable CAIC coverage, individual wellness programs, and related services.

The services may be offered by the Policyholder, at the Policyholder's discretion, to its group employees. While the Endorsement is attached to the Policy, it is at the group employee's sole discretion to utilize the services listed below. Any one or more of the services listed below may be available, but may not represent the group employee's exact selection.

Though CAIC has arranged these goods, services, and/or third-party provider discounts, the third-party providers—**not CAIC**—are liable to group employees for these goods and services. CAIC is not responsible for providing the goods and/or services, nor is CAIC liable to group employees for the negligent provision of these goods and/or services by third-party service providers. The third-party providers will address inquiries from group employees about the provision of these goods, services, and/or third-party discounts. In the event the third-party provider cannot meet contractual obligations, CAIC will pursue a new contract with a similar vendor to provide the services listed below. Access to these services will end when Plan coverage ends, as described in the Termination provisions in the Master Policy.

The services listed below incur a \$2/month service charge. This service charge is included in the premium amount shown on the Certificate Schedule.

- **Fraud Protection** – this third-party service offers fraud protection that will secure and monitor personal information and provide identity restoration services in the event of identity theft or fraud.
- **Core Advocacy** – this third-party service offers access to a dedicated, Personal Health Advocate who can help solve a wide variety of health- and insurance-related issues, such as:
  - Reviewing and explaining medical coverage and offering advice on care options and costs.
  - Locating providers for second opinions.
  - Scheduling appointments with specialists.
  - Clarifying complex conditions.
  - Resolving insurance claims.
  - Addressing eldercare issues and coordinating long-distance support for family members.
- **Medical Bill Saver** – this third-party service offers highly skilled negotiators to work on the group employees' behalf to obtain a discount on any medical or dental bill over \$400 not covered by insurance, regardless of insurance or benefit status.
- **Telemedicine** – this third-party service offers a low-cost option for medical care by enabling group employees to connect with a medical provider online and receive personalized treatment. The Telemedicine visit could cost between \$25 and \$195. When medically appropriate, providers submit an e-prescription to a local pharmacy for purchase, pick up, and review (in person) with a local pharmacist.
- **Discount Bundle** – this third-party service offers discounts on dental, vision, pharmacy and hearing care services to group employees through a web portal. The discounts for the dental, hearing, and vision services are available with a purchase of a \$12 pass, which allows access to a network of providers in the group employee's geographical location.

- **Personal Wellness** – this third-party services helps group employees develop a healthy lifestyle plan to achieve their wellness goals through online workshops and tools related to weight loss, nutrition, stress management, tobacco cessation, and related issues.
- **Financial and Legal Fitness** – this third-party service assists group employees with online tools for financial and legal preparedness on topics such as eldercare, estate and retirement planning, college savings plans and budgeting, financial calculators, webinars and tutorials, and articles providing general financial education. Service also provides limited complementary access to consultative services from licensed professionals to assist with legal and financial matters.
- **Online Family Care Resource** – this third-party service offers access to a comprehensive online resource enabling group employees to manage their family care needs through services such as locating emergency child care, nanny services and elder care, daycare, tutors, dog-sitters/walkers, home companions and personal care services.
- **Student Loan Assistance** – this third-party service offers employers an administrative service to assist them in coordinating the payment of their group employee’s student loans. The service also provides a refinancing market to assist group employees in paying down their student loans quicker.
- **College Advisory Service** – this third-party service provides assistance to group employees by helping to create a long-term plan for their children’s educational future. The service helps the group employee navigate the intricacies of applying for college, financing college tuition, and understanding financial aid.
- **Employee Assistance Program** - this third-party service offers counseling with available licensed professional counselors to address stress, depression, family issues, substance abuse, and other topics.
- **Funeral Concierge** - this third-party service provides personal advisors who are available 24-hours a day to help with all funeral-related issues, including developing a personal funeral plan, and negotiation assistance for funeral services.
- **Travel Assistance** - this third-party service provides 24-hour, toll-free service for a comprehensive range of information, referral, coordination and arrangement services designed to respond to most medical care situations and many other emergencies group employees may encounter when they travel.
- **Flexible Spending Administration** – this third-party service administers funds designated by the group employee for payment of tax qualified medical expenses and dependent-care expenses.

Signed for the Company at its Home Office,



Teresa White, President



J. Matthew Loudermilk, Secretary

***For assistance or information about this notice, call 800.433.3036.***

**IMPORTANT INFORMATION ABOUT COVERAGE UNDER THE  
TEXAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION**  
(For insurers declared insolvent or impaired on or after September 1, 2011)

Texas law establishes a system to protect Texas Policyholders if their life or health insurance company fails. The Texas Life and Health Insurance Guaranty Association (the "Association") administers this protection system. Only the policyholders of insurance companies that are members of the Association are eligible for this protection which is subject to the terms, limitations and conditions of the Association law. (The law is found in the *Texas Insurance Code*, Chapter 463.)

**It is possible that the Association may not protect all or part of your policy because of statutory limitations.**

**Eligibility for Protection by the Association**

When a member insurance company is found to be insolvent and placed under an order of liquidation by a court or designated as impaired by the Texas Commissioner of Insurance, the Association provides coverage to policyholders who are:

- Residents of Texas (**regardless of where the policyholder lived when the policy was issued**)
- Residents of other states, **ONLY** if the following conditions are met:
  1. The policyholder has a policy with a company domiciled in Texas;
  2. The policyholder's state of residence has a similar guaranty association; and
  3. The policyholder is *not eligible* for coverage by the guaranty association of the policyholder's state of residence.

**Limits of Protection by the Association**

**Accident, Accident and Health, or Health Insurance:**

- For each individual covered under one or more policies: up to a total of \$500,000 for basic hospital, medical-surgical, and major medical insurance, \$300,000 for disability or long term care insurance, and \$200,000 for other types of health insurance.

**Life Insurance:**

- Net cash surrender value or net cash withdrawal value up to a total of \$100,000 under one or more policies on a single life; or
- Death benefits up to a total of \$300,000 under one or more policies on a single life; or
- Total benefits up to a total of \$5,000,000 to any owner of multiple non-group life policies.

**Individual Annuities:**

- Present value of benefits up to a total of \$250,000 under one or more contracts on any one life.

**Group Annuities:**

- Present value of allocated benefits up to a total of \$250,000 on any one life; or
- Present value of unallocated benefits up to a total of \$5,000,000 for one contract holder regardless of the number of contracts.

**Aggregate Limit:**

- \$300,000 on any one life with the exception of the \$500,000 health insurance limit, the \$5,000,000 multiple owner life insurance limits, and the \$5,000,000 unallocated group annuity limit.

These limits are applied for each insolvent insurance company.

**Insurance companies and agents are prohibited by law from using the existence of the Association for the purpose of sales, solicitation, or inducement to purchase any form of insurance. When you are selecting an insurance company, you should not rely on Association coverage. For additional questions on Association protection or general information about an insurance company, please use the following contact information.**

Texas Life and Health Insurance Guaranty Association  
515 Congress Avenue  
Suite 1875  
Austin, TX 78701  
(800)-982-6362 or [www.txlifega.org](http://www.txlifega.org)

Texas Department of Insurance  
Post Office Box 149104  
Austin, Texas 78714-9104  
(800)-252-3439 or [www.tdi.texas.gov](http://www.tdi.texas.gov)

## AFLAC CUSTOMER PRIVACY POLICY

Protecting the privacy and confidentiality of information about our customers is very important to American Family Life Assurance Company of Columbus, American Family Life Assurance Company of New York, and Continental American Insurance Company (collectively, "Aflac"). Accordingly, Aflac has developed and adopted this "Customer Privacy Policy" which is designed to ensure that our collection and use of customer information complies with the following commitments:

- **Aflac does not sell, rent, lease or otherwise disclose nonpublic personal information (NPI) of its customers for purposes unrelated to Aflac products and services.** Our customers' NPI is of paramount importance to us. Therefore, we provide your NPI only to our affiliates, employees, agents and third parties as necessary to facilitate the development and delivery of our insurance and employee benefit products and services. Aflac may also provide your NPI to its affiliates for marketing purposes consistent with the terms disclosed herein (see *Sharing Information*, below).
- **Aflac works to ensure information integrity and security.** We use technology tools and design our business practices to help ensure that our customers' NPI is properly gathered, stored and processed. We also work to maintain the security of our customers' NPI through the use of technology and our business practices.
- **Aflac expects its agents and employees to respect customer NPI.** Aflac has adopted internal policies and procedures designed to ensure that employees and agents adhere to Aflac's privacy policies and otherwise protect our customers' NPI. Both employees and agents are subject to censure, dismissal, or termination for violation of these policies.

This Customer Privacy Policy applies to those individuals who receive our products and services, as well as to individuals who provide us with NPI in the course of submitting an application to us for our products and services. .

### PRIVACY NOTICE

Aflac provides this notice to let you know about our current privacy practices with respect to the collection, sharing and protection of your NPI. **You do not need to do anything in response to this notice, unless you would like to prohibit the use of your NPI by our affiliates to market products and services to you, as described below.**

#### Collecting Information

As part of Aflac's normal underwriting and operating procedures, Aflac (and our agents acting on our behalf) needs to obtain information to determine an individual's eligibility for our products and services, and to perform our insurance functions. Aflac and our agents may collect NPI about Aflac's customers, including:

- Information from our customers (including names, addresses, and financial and health information).
- Information about our customers' transactions with Aflac or our agents (including claims and payment information).
- Information from or about your transactions with nonaffiliated third parties (including, but not limited to, accident reports, claims, health and insurance application histories, health history, and salary data).

#### Sharing Information

- Aflac shares the NPI it collects about you, as described above, among Aflac and its affiliates so that Aflac and its affiliates may perform their everyday business functions, such as processing your transactions and claims, or otherwise maintaining your policies. Aflac also reserves the right to share your NPI with its affiliates to enable Aflac affiliates to market their products and services directly to you. You can prevent the use of your NPI for this purpose by following the "opt-out" procedure described below, "*Opting Out of Information Sharing*."
- Aflac does not share, and does not reserve the right to share, customer NPI with nonaffiliated third parties except as permitted or required by applicable law.
- Aflac agents will share your NPI only while acting on Aflac's behalf and, furthermore, will share your NPI only to the extent Aflac itself is permitted to do so.
- Neither Aflac nor its agents will disclose the NPI of former customers unless the disclosure is authorized by or at the request of the former customer, or is otherwise permitted or required by law.

#### Opting Out of Information Sharing

As described above, Aflac shares your NPI when permitted or required by law. You are not able to limit Aflac's ability to share your NPI for these purposes.

##### *Affiliate Marketing Opt Out*

If you would prefer not to receive marketing materials from Aflac's affiliates about their products or services, you can opt out of such affiliate marketing by either (1) calling 1.800.433.3036; or (2) visiting [www.aflacgroupinsurance.com](http://www.aflacgroupinsurance.com) and downloading, completing, and returning the Affiliate Marketing Opt-Out Form to Aflac at the referenced address. If you opt-out and later change your mind, please let Aflac know and we will change your choice. Your opt out does not prevent Aflac

from sending you information about products or services offered by Aflac or its affiliates. Similarly, your opt out will not prevent an Aflac affiliate from using NPI received from Aflac to market affiliate products and services to you if (a) you have a pre-existing relationship with such affiliate, or (b) you contact such affiliate directly and request information about such affiliate's products or services.

### **Confidentiality and Security**

Aflac and its agents safeguard customer (and former customer) NPI by maintaining administrative, technical, and physical safeguards to ensure the security and confidentiality of such NPI. This includes having security practices in place to protect against anticipated threats or hazards, and to protect against unauthorized access to or use of customer and former customer NPI.

Aflac limits access to NPI to only those employees who need access to such information to perform their job functions. Employees who misuse NPI are subject to disciplinary actions. Aflac provides privacy training and awareness to all of its employees.

### **NOTICE OF INFORMATION PRACTICES**

California, Connecticut, Georgia, Illinois, Kansas, Maine, Massachusetts, Minnesota, Montana, Nevada, New Jersey, North Carolina, Ohio, Oregon, and Virginia require insurers and agents to describe their information practices in addition to providing a Privacy Notice. There is significant overlap between the two notices, but in general our Information Practices include the following: Aflac may obtain information about you and any other persons proposed for insurance. Some of this information will come from you and some may come from other sources. That information and any other subsequent information collected by Aflac may in some circumstances be disclosed to third parties without your specific consent. Residents of these states have the right to access and correct the information collected about them except information that relates to a claim or to a civil or criminal proceeding. They also have the right to receive the specific reason for an adverse underwriting decision in writing. If you wish to have a more detailed explanation of our information practices required by your state, please submit a written request to Aflac, ATTN: Privacy Office, P.O. Box 427, Columbia, SC 29202.

### **STATE SPECIFIC DISCLOSURES**

Customer NPI shall be collected, used and stored in accordance with applicable federal privacy laws. To the extent that the privacy laws of a Customer's state of residence are more protective of the Customer's NPI than federal privacy laws, Aflac will protect the Customer's NPI in accordance with such state law.

**Attention Washington Residents:** You have the right to limit disclosures of your nonpublic personal information under the circumstances described in WAC 284-04-510. For instance, you may request in writing that Aflac limit the disclosure of nonpublic personal information to specified individuals if the disclosure of the information to those individuals could jeopardize your safety. In addition, you may also request, in writing, that Aflac limit certain disclosures of information regarding reproductive health, sexually transmitted diseases, chemical dependency and mental health. For more information or if you wish to submit a request, please write to: Aflac, ATTN: Privacy Office, P.O. Box 427, Columbia, SC 29202.

### **NOTICE OF PRIVACY PRACTICES - PROTECTED HEALTH INFORMATION**

If you would like a copy of Aflac's *Notice of Privacy Practices - Protected Health Information*, issued pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), copies are available by visiting Aflac's website, [www.aflacgroupinsurance.com](http://www.aflacgroupinsurance.com), or sending a written request to: Aflac, ATTN: Privacy Office, P.O. Box 427, Columbia, SC 29202.



## **NOTICE OF PRIVACY PRACTICES – PROTECTED HEALTH INFORMATION**

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.** The terms of this Notice of Privacy Practices – Protected Health Information (“Notice”) apply to Protected Health Information (defined below) associated with Health Plans (defined below) issued by American Family Life Assurance Company of Columbus, American Family Life Assurance Company of New York, Continental American Insurance Company and Continental American Life Insurance Company (collectively, “we,” “our,” or “Aflac”) <sup>1</sup>. This Notice describes how Aflac may use and disclose Protected Health Information to carry out payment and health care operations, and for other purposes that are permitted or required by law.

We are required by the privacy regulations issued under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) to maintain the privacy of Protected Health Information and to provide our policyholders and certificateholders with notice of our legal duties and privacy practices concerning Protected Health Information. In the event applicable law, other than HIPAA, prohibits or materially limits our uses and disclosures of Protected Health Information, as set forth below, we will restrict our uses or disclosure of your Protected Health Information in accordance with the more stringent standard. We are required to abide by the terms of this Notice so long as it remains in effect. We reserve the right to change the terms of this Notice of Privacy Practices as necessary and to make the new Notice effective for all Protected Health Information maintained by us. If we make material changes to our privacy practices, we will mail copies of revised notices to all policyholders and certificateholders then covered by a Health Plan. Copies of our current Notice may be obtained by contacting Aflac at the telephone number or address below, or on our Web site at [www.aflacgroupinsurance.com](http://www.aflacgroupinsurance.com).

### **DEFINITIONS**

**Health Plan** means, for purposes of this Notice, the following plans issued by Aflac: dental, specified disease (e.g., cancer), hospital indemnity and other coverages that meet the definition of Health Plan contained in HIPAA. The following products are not considered Health Plans: coverage only for accident, or disability income insurance, or any combination thereof, life insurance, and other coverages that do not meet the definition of Health Plan contained in HIPAA.

**Protected Health Information (“PHI”)** means individually identifiable health information, as defined by HIPAA, that is created or received by Aflac and that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or for which there is a reasonable basis to believe the information can be used to identify the individual. PHI includes information of persons living or deceased, unless the person has been deceased more than 50 years.

### **USES AND DISCLOSURES OF YOUR PROTECTED HEALTH INFORMATION**

The following categories describe different ways that we use and disclose PHI. For each category of uses and disclosures we will explain what we mean and, where appropriate, provide examples for illustrative purposes. Not every use or disclosure in a category will be listed. However, all of the ways we are permitted or required to use and disclose PHI will fall within one of the categories.

**Uses and Disclosures for Payment** – We may make requests, uses, and disclosures of your PHI as necessary for payment purposes. For example, we may use information regarding your medical procedures and treatment to process and pay claims. We may also disclose your PHI for the payment purposes of a health care provider or another Health Plan.

**Uses and Disclosures for Health Care Operations** – We may use and disclose your PHI as necessary for our health care operations. Examples of health care operations include underwriting, premium rating, or other activities relating to the creation, renewal, or replacement of a Health Plan, reinsurance, compliance, auditing, rating, business management, quality improvement and assurance, and other functions related to your Health Plan. Although underwriting falls within the definition of health care operations, we will not use or disclose genetic information for purposes of underwriting. Genetic information is defined under the Genetic Information Nondiscrimination Act (GINA).

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<sup>1</sup> *With respect to its Health Plans, American Family Life Assurance Company of Columbus, American Family Life Assurance Company of New York and Continental American Insurance Company are affiliated covered entities (see 45 CFR 164.105).*

**Family and Friends Involved in Your Care** – If you are available and do not object, we may disclose your PHI to your family, friends, and others who are involved in your care or payment of a claim. If you are unavailable or incapacitated and we determine that a limited disclosure is in your best interest, we may share limited PHI with such individuals. For example, we may use our professional judgment to disclose PHI to your spouse concerning the processing of a claim. If you do not wish Aflac to share PHI with your spouse or others, you may exercise your right to request a restriction on Aflac's disclosures of your PHI (see below).

**Business Associates** – Certain aspects and components of our services are performed through contracts with outside persons or organizations. Examples of these outside persons and organizations include our duly-appointed insurance agents and vendors that help us process your claims. At times it may be necessary for us to provide certain of your PHI to one or more of these outside persons or organizations.

**Other Products and Services** – We may contact you to provide information about other health-related products and services that may be of interest to you. For example, we may use and disclose your PHI for the purpose of communicating to you about our health insurance products that could enhance or substitute for existing Health Plan coverage, and about health-related products and services that may add value to your Health Plan.

**Other Uses and Disclosures** – We may make certain other uses and disclosures of your PHI without your authorization:

- We may use or disclose your PHI for any purpose required by law. For example, Aflac may be required by law to use or disclose your PHI to respond to a court order.
- We may disclose your PHI for public health activities, such as reporting of disease, injury, birth and death, and for public health investigations.
- We may disclose your PHI to the proper authorities if we suspect child abuse or neglect; we may also disclose your PHI if we believe you to be a victim of abuse, neglect, or domestic violence.
- We may disclose your PHI if authorized by law to a government oversight agency (e.g., a state insurance department) conducting audits, investigations, or civil or criminal proceedings.
- We may disclose your PHI in the course of a judicial or administrative proceeding (e.g., to respond to a subpoena or discovery request).
- We may disclose your PHI to the proper authorities for law enforcement purposes.
- We may disclose your PHI to coroners, medical examiners, and/or funeral directors consistent with law.
- We may use or disclose your PHI for cadaveric organ, eye or tissue donation.
- We may use or disclose your PHI for research purposes, but only as permitted by law.
- We may use or disclose PHI to avert a serious threat to health or safety.
- We may use or disclose your PHI if you are a member of the military as required by armed forces services, and we may also disclose your PHI for other specialized government functions such as national security or intelligence activities.
- We may disclose your PHI to workers' compensation agencies for your workers' compensation benefit determination.
- We will, if required by law, release your PHI to the Secretary of the Department of Health and Human Services for enforcement of HIPAA.

**Your Authorization** – Except as outlined above, we will not use or disclose your PHI unless you have signed a form authorizing the use or disclosure. Specifically, most uses and disclosures of psychotherapy notes, uses or disclosures for marketing purposes and disclosures that constitute a sale of PHI require an authorization. You have the right to revoke that authorization in writing except to the extent that we have taken action in reliance upon the authorization or that the authorization was obtained as a condition of obtaining insurance, and we have the right, under other law, to contest a claim under the plan itself.

- The following are examples of when your authorization would be required prior to use and disclosure:
  - Most uses and disclosures of your psychotherapy notes.
  - Uses and disclosures of your PHI for marketing purposes.
  - Uses and disclosures that constitute a sale of PHI.

**Breach of Unsecured PHI** – If Aflac or a Business Associate of Aflac causes a breach to occur that involved your unsecured PHI, we are required by law to notify you of the incident.

## **RIGHTS THAT YOU HAVE**

**Access to Your PHI** – You have the right to copy and/or inspect certain PHI that we maintain about you. Certain requests for access to your PHI must be in writing, must state that you want access to your PHI and must be signed by you or your representative (e.g., requests for medical records provided to us directly from your health care provider). We must provide you with access to your PHI in the form or format requested by you, if it is readily producible in such form or format, or, if not, in a form or format agreed upon by you and Aflac. Access request forms are available from Aflac at the address below. We may charge you a fee for copying and postage. We may deny your request for access in certain very limited circumstances, such as request to access psychotherapy notes.

**Amendments to Your PHI** – You have the right to request that PHI that we maintain about you be amended or corrected. We are not obligated to make all requested amendments but will give each request careful consideration. To be considered, your amendment request must be in writing, must be signed by you or your representative, and must state the reasons for the amendment/correction request. Amendment request forms are available from Aflac at the address below.

**Accounting for Disclosures of Your PHI** – You have the right to receive an accounting of certain disclosures made by us of your PHI. Examples of disclosures that we are required to account for include those to state insurance departments, pursuant to valid legal process, or for law enforcement purposes. To be considered, your accounting requests must be in writing and signed by you or your representative. Accounting request forms are available from Aflac at the address below. The first accounting in any 12-month period is free; however, we may charge you a fee for each subsequent accounting you request within the same 12-month period.

**Restrictions on Use and Disclosure of Your PHI** – You have the right to request restrictions on certain of our uses and disclosures of your PHI for insurance payment or health care operations, disclosures made to persons involved in your care, and disclosures for disaster relief purposes. For example, you may request that we not disclose your PHI to your spouse. Your request must describe in detail the restriction you are requesting. HIPAA does not require us to agree to your request but we will accommodate reasonable requests when appropriate. We retain the right to terminate an agreed-to restriction if we believe such termination is appropriate. In the event of a termination by us, we will notify you of such termination. You also have the right to terminate, in writing or orally, any agreed-to restriction. Requests for a restriction (or termination of an existing restriction) may be made by contacting Aflac at the telephone number or address below.

However, we are authorized by law to refuse to honor any request to restrict disclosures for treatment, payment or health care operations. Nonetheless, we will comply with a restriction request if (i) the disclosure is to the Health Plan for purposes of carrying out payment or healthcare operations, except as otherwise required by law, (ii) the PHI relates solely to a health care item or service for which the healthcare provider involved has been paid out-of-pocket in full.

**Request for Confidential Communications** – You have the right to request that communications regarding your PHI be made by alternative means or at alternative locations. For example, you may request that messages not be left on voice mail or sent to a particular address. We are required to accommodate reasonable requests if you inform us that disclosure of all or part of your information could place you in danger. Requests for confidential communications must be in writing, signed by you or your representative, and sent to Aflac at the address below.

**Right to a Copy of the Notice** – You have the right to a paper copy of this Notice upon request by contacting Aflac at the telephone number or address below.

**Complaints** – If you believe your privacy rights have been violated, you can file a complaint with Aflac in writing at the address below. You may also file a complaint in writing with the Secretary of the U.S. Department of Health and Human Services in Washington, D.C., within 180 days of a violation of your rights. There will be no retaliation for filing a complaint.

## **FOR FURTHER INFORMATION**

If you have questions or need further assistance regarding this Notice, you may contact Aflac's Privacy Office by writing to: Aflac, Attn: Privacy Office, P.O. Box 427, Columbia, SC 29202, or by calling 1-800-433-3036.

## **EFFECTIVE DATE**

This Notice is effective January 6, 2017.