



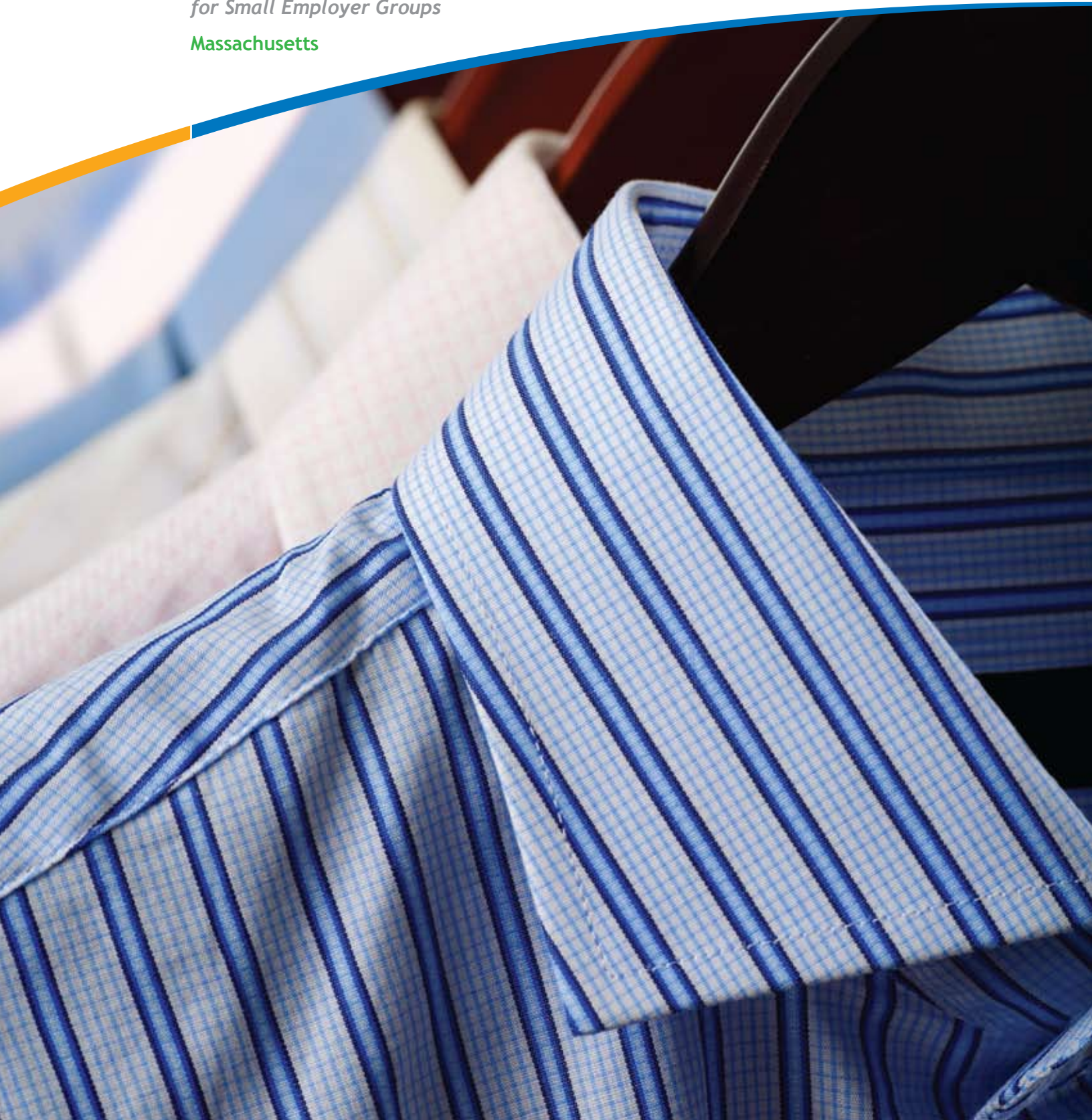
ASSURANT  
Health®

Assurant. On your terms.™

## Assurant® Self-Funded Health Plans

*Health Plan Administration and Stop-Loss Insurance  
for Small Employer Groups*

**Massachusetts**



# A Smart, Affordable, Simple Plan for Your Small Business from Assurant Health

Assurant® Self-Funded Health Plans offer an alternative to traditional health insurance that can *lower your group's health care costs* now and for years to come. This unique package of services and protection allows you to gain control over those expenses by helping you *establish and fund your own health benefit plan*.

## Smart

Assurant Self-Funded Health Plans enable you to **offer your employees premier health protection**—the kind usually reserved for big businesses. And while you protect your employees, we **protect your small business** from larger-than-expected claims.

## Affordable

Self funding means you **don't pay for more than the amount of health care your group actually uses**. So if your group's claims expenses are less than the norm, your overall savings can be significant. There's even an opportunity to **receive annual refunds if you don't use all your funds**.

## Simple

Only Assurant Health gives you a complete package—all the services for self funding. You choose your health benefit plan and **all the details are taken care of**—you simply pay a monthly bill.

---

**With Assurant Health, you get more than just protection.** You also get the peace of mind that comes from knowing you've chosen an organization with the commitment and financial resources to be there when you need them.

- Tracing our roots back to 1892, Assurant Health has a history of business experience, financial stability and health-insurance expertise you won't find anywhere else
- Assurant Health companies<sup>1</sup> are rated A- (Excellent) for financial strength and ability to meet policyowner obligations by the highly respected insurance industry analyst, A.M. Best Company<sup>2</sup>
- We offer health insurance solutions to individuals and small businesses across the U.S.



This health plan **meets Minimum Creditable Coverage (MCC) standards in Massachusetts and will satisfy the individual mandate** that you and your employees have health insurance.

If, upon review by the appropriate authorities, any benefits of this health plan are inconsistent with current or future MCC requirements, Assurant Health will adjust such benefits to be in compliance with those requirements.

---

<sup>1</sup> Assurant Health is the brand name for products underwritten and issued by Time Insurance Company and John Alden Life Insurance Company.

<sup>2</sup> A.M. Best is a rating organization that evaluates insurers' financial strength. The rating represents the organization's opinion of Time Insurance Company's and John Alden Life Insurance Company's ability to meet their ongoing obligations to policyholders. Source: A.M. Best Ratings and Analysis, July 2008.

# Self-Funded Health Plans

Assurant Health makes it easy to establish a health benefit plan—*you get all the advantages of self-funding and none of the hassles.*

## Assurant Self-Funded Highlights:

- **We help you build your health benefit plan** by selecting from many plan design options—just like for traditional health insurance.
- **Your maximum cost for the year determined up front and guaranteed**, subject to enrollment and benefit changes, **and it's typically lower than the cost of a comparable fully insured plan.**
- If claims ever become larger than expected, **insurance protection for your business—employer stop-loss insurance—takes care of these expenses.** Your costs for the year are not increased.
- **Our trusted, established, third-party plan administrator manages all the details of your self-funded plan**—providing customer service and plan accounting and also paying claims from your claims fund.

Unlike other types of health plans, *our self-funded plans give you money back* if your group's actual benefit expenses for the year are less than expected. You decide whether to apply the savings to your monthly bill or take it as a refund.

Our health plans are designed for employers determined to *take control of health care costs without compromising the quality of benefits* their employees receive.

## Health Benefit Highlights:

- **First-dollar** preventive care benefits
- **\$0 copay for generic** prescription drugs
- Diagnostic x-ray and laboratory services **paid at 100%**
- **Copays for visits** to network doctor offices and urgent care facilities
- **No referrals** necessary to see a specialist
- **\$3 million** per person in lifetime benefits
- Optional Health Savings Accounts (HSAs) and Health Reimbursement Arrangements (HRAs) – health care savings programs with **tax advantages**
- Lets you **cover employees across the U.S.** with multiple plan designs and provider networks to accommodate different employee needs

**An Assurant Self-Funded Health Plan is not an insurance product.** It is a health plan that is regulated by federal law and consists of an underlying self-funded employee health benefit plan, plan administration and employer stop-loss coverage. Only the employer stop-loss coverage is an insurance product regulated by the Massachusetts Division of Insurance. Employer stop-loss insurance for Assurant Self-Funded Health Plans is provided by Time Insurance Company and John Alden Life Insurance Company.



# How We Make Self-Funding Work for You

Our complete self-funding package means *you're free to focus on your business.*

You simply pay a monthly bill, which includes the amount needed to fund expected claims as well as your stop-loss insurance premium and plan administration fee. We take it from there:

- The plan administrator pays claims from your claims fund
- Your stop-loss insurance takes care of larger-than-expected claims
- Any unused funds accrue and can either be applied to your monthly bill or will be refunded to you

## Employer Stop-Loss Insurance

- An **aggregate stop-loss benefit** guards your claims fund against high, unexpected claims incurred by your group as a whole. If total claims reach a pre-determined limit, your stop-loss insurance takes care of additional claims for the rest of the year.
- Your claims fund is also protected against high claims incurred by an individual group member. A **specific stop-loss benefit** takes care of a member's additional claims for the rest of the year once that individual's claims exceed a pre-determined limit, which you select.

This benefit also provides monthly advances to your claims fund if the claims paid exceed the current balance in your claim fund.

Choose from these specific stop-loss options:

**\$10,000, \$15,000, \$20,000 or \$25,000 per person each year**

## Plan Administration

### Easy to Work With — Easy to Trust

*Our third-party administrator has:*

- Easy-to-use online services that allow you to access plan information
- Easy-to-understand monthly reports that keep you on top of your plan's performance
- More than 25 years of experience in benefit management and administration services
- An administrative performance guarantee

### One Point of Contact

*Customer service is available when you need:*

- Answers to health benefit plan questions
- Help finding doctors and hospitals in your network(s)
- Claims status (also available online)
- Answers to plan cost and billing questions
- Changes to your plan
- COBRA and HIPAA administration and compliance
- ID cards and summary plan descriptions

*Self-funding offers great advantages for many small groups, but it's not appropriate for all. We will work with you now and in the future to help you determine if self-funding is the right choice for your group.*

# Health Benefit Plan

**Self-Funded** (Plan Types – PPO Copay, PPO Copay HRA, PPO HSA)

## Plan Design<sup>1</sup>

Deductible	(You Pay)	<ul style="list-style-type: none"> <li>PPO Copay: \$0, \$250, \$500, \$1,000, \$1,500 or \$2,000</li> <li>PPO Copay HRA: \$1,500, \$2,000, \$2,500, \$3,500 or \$5,000</li> <li>PPO HSA: \$1,500, \$2,000 or \$2,500</li> </ul> <p>Family deductible maximum is two times the selected deductible</p>
Benefit Percentage	(Plan Pays)	100%, 90%, 80%, 70% or 50%
Coinsurance Percentage/Coinsurance Out-Of-Pocket Maximum	(You Pay)	<ul style="list-style-type: none"> <li>0%/ \$0</li> <li>10%/ \$500, \$1,000 or \$1,500</li> <li>20%/ \$1,000, \$2,000 or \$3,000</li> <li>30%/ \$1,500 or \$3,000</li> <li>50%/ \$2,500, \$5,000 or \$7,500</li> </ul>
Lifetime Benefit Maximum	(Plan Pays)	\$3 million

## Outpatient Benefits Benefits are subject to selected deductible and coinsurance unless otherwise noted.

Office Visit Copay <sup>2</sup>	<ul style="list-style-type: none"> <li>\$20 copay for network Primary Care Provider, no deductible or coinsurance</li> <li>\$35 copay for network Specialist, no deductible or coinsurance</li> </ul>
Preventive Medical Services	First-dollar benefits totaling \$750 or the cost of three routine visits, whichever is greater, then deductible and coinsurance, no copay Family maximum is the cost of six routine visits if that amount is greater than \$750 per person
Prescription Drugs (Generic Copay/Preferred Brand Copay/Non-preferred Brand Copay) <sup>2,3</sup>	<ul style="list-style-type: none"> <li>Retail Pharmacy: \$0/\$35/\$50, no deductible* or coinsurance</li> <li>Mail Order (up to 90-day supply): \$0/\$100/\$150, no deductible* or coinsurance</li> </ul> <p>* Optional prescription drug deductible: \$150 per person/\$450 per family</p>
Urgent Care Services <sup>2</sup>	\$50 copay, no deductible or coinsurance
Diagnostic X-Ray and Laboratory Services <sup>4</sup>	100% benefit percentage, no deductible or coinsurance
Emergency Room <sup>2</sup>	\$100 copay, then deductible and coinsurance Nonemergency use of an emergency room is subject to a 30% benefit penalty
Outpatient Physical Medicine	Up to 30 visits or \$5,000 in benefits <sup>5</sup>
Chiropractic Care	Up to 15 visits or \$5,000 in benefits <sup>5</sup>
Home Health Care	Up to 100 visits
Behavioral Health and Substance Abuse	Up to \$3,000 each for outpatient care and prescription drugs, subject to selected deductible and 50% coinsurance
Outpatient Hospital/Surgical Center, Physician Services, MRI, EKG, Colonoscopy, Maternity Care, Ambulance, Chemotherapy, Dialysis, Durable Medical Equipment and most other covered services	Covered

## Inpatient Benefits Benefits are subject to selected deductible and coinsurance unless otherwise noted.

Hospital and Physician Services	Covered
Acute and Subacute Rehabilitation Facilities	Up to 31 days combined
Skilled Nursing Facility	Up to 31 days
Hospice Care Services	Covered
Transplants	Covered when performed by a designated transplant provider Up to \$100,000 in lifetime benefits if performed by a non-designated provider
Behavioral Health and Substance Abuse	Up to 30 days, subject to selected deductible and 50% coinsurance

<sup>1</sup> Not all plan payment combinations are available.

<sup>2</sup> HSA plans do not have copays – all covered expenses are subject to deductible and coinsurance.

<sup>3</sup> You may design your HRA plan without prescription drug copays – prescription drugs will be covered subject to deductible and coinsurance.

<sup>4</sup> MRI, CT scan, PET scan, ultrasound, EKG, chemotherapy, radiation therapy, dialysis, and BRCA are subject to deductible and coinsurance.

<sup>5</sup> Subject to the applicable copay when performed during a Primary Care Provider or Specialist office visit. Otherwise, subject to deductible and coinsurance.

# Important Provisions

## Employment Waiting Period

The employment waiting or affiliation period is the number of consecutive days an employee must be working before he/she is eligible to be covered. Coverage begins on the first day of the following month.

The following choices are available:

0, 30, 60, 90, 180 or 365 days

## Affiliated Provider Benefit

Assurant Health has PPO arrangements with local and national provider networks, so you have convenience and choice. However, many times physicians and other health care providers such as radiologists, anesthesiologists, pathologists and emergency room personnel are affiliated with participating hospitals and clinics but are not members of the network. If care is received at a network facility from those nonparticipating providers, covered charges will be paid at the network benefit level. Though the health benefit plan pays a greater percentage of the charge, the covered person is responsible for any remaining balance.

## Emergency Care Benefit

The health benefit plan pays for emergency treatment at the network benefit level whether treatment is received from a participating or nonparticipating provider.

## Utilization Review

When inpatient treatment is needed, the covered person is responsible for calling Assurant Health to receive authorization. The toll-free telephone number appears on the ID card. If authorization is not received, a penalty of 15% of the charge up to \$1,000 could be applied. No benefits are paid for transplants which are not authorized. Authorization is not a guarantee of coverage.

## Pre-Existing Condition

A pre-existing condition is a physical or mental condition, regardless of the cause, for which medical advice, diagnosis, care or treatment was recommended or received within the 6-month period ending on the enrollment date. Benefits are not paid for charges incurred due to a pre-existing condition until a covered person is continuously insured under the health benefit plan for 12 months, 18 months for late enrollees. **This exclusion period can be reduced or eliminated if the covered person had prior creditable coverage.**

## Deductible Credit

When coverage first begins, credit is given for any portion of a calendar-year deductible satisfied under the prior plan during the same calendar year. However, no credit is given for past policy-year deductibles.

## Continuity of Coverage

The pre-existing conditions limitation is reduced by the amount of time a person was covered under prior creditable coverage, provided there was no more than a 63-day gap between coverages (excluding any employment waiting/affiliation period).

---

## EXCLUSIONS SUMMARY

- Treatment not listed in the summary plan description
- Treatment of a pre-existing condition, until continuously insured for 12 months
- Services by a medical provider who is an immediate family member or who resides with a covered person
- Treatment reimbursable by Medicare, Workers' Compensation, automobile carriers or expenses for which other coverage is available
- Routine hearing care, routine vision care, vision therapy, surgery to correct vision, routine foot care, or foot orthotics
- Custodial care, private nursing, telemedicine or phone consultations
- Diagnosis and treatment of infertility, sex transformation, surrogate pregnancy, sterilization reversal
- Cosmetic services, experimental treatment, complications of an excluded service
- Genetic testing, counseling and services
- Treatment of varicose veins
- Charges in excess of the lifetime maximum of \$1,500 for sterilization
- Treatment of "lifestyle" concerns including but not limited to smoking cessation, weight control surgery or treatments, hair loss, restoration or promotion of sexual function, cognitive enhancement and educational testing or training
- Over-the-counter drugs, drugs not approved by the FDA, drugs obtained outside the United States, the difference in cost between a generic and brand name drug when the generic is available

# Terms

---

## BENEFIT PAYMENT RELATED

**Benefit Percentage** is the portion of covered expenses the health benefit plan pays after the deductible.

**Coinsurance** is the portion of covered expenses a covered person pays after the deductible.

**Coinsurance Out-of-Pocket Maximum** is the total amount of coinsurance a covered person is responsible to pay in a year. The health benefit plan pays 100% of covered expenses after this limit is reached, except for copays.

**Copay** is a fixed fee paid by a covered person each time for certain visits, services or benefits.

**Deductible** is the amount a covered person pays toward covered expenses before the health benefit plan pays benefits.

**Family Deductible** is two times the individual deductible. All network and out-of-network covered expenses for all covered family members accrue toward the satisfaction of the family deductible. Once the family deductible is satisfied, any remaining network covered expenses for the year will be paid by the health benefit plan at the selected benefit percentage. However, any remaining out-of-network covered expenses for the year will continue to accrue toward the satisfaction of the out-of-network family deductible. For a **Common Family Deductible**, either one or more covered family members must satisfy the family deductible before benefits are paid for any covered family member.

**First-Dollar** describes benefits paid by the health benefit plan that are not subject to the deductible, coinsurance or a copay.

**Lifetime Benefit Maximum** is the total amount the health benefit plan pays per person.

**Maximum Allowable Amount** is the most the health benefit plan pays for services performed by providers. The negotiated rate is the maximum allowable amount paid to participating (network) providers.

**Unlike some plans, the health benefit plan also covers services performed by nonparticipating (out-of-network) providers.** The maximum allowable amount for these services is based on **usual, customary and reasonable (UCR)**, which uses charges by area providers to determine the maximum allowable amount. A covered person using a nonparticipating provider is responsible for any amount in excess of the maximum allowable amount.

**Out-of-Network Charge** is an additional amount paid by a covered person who receives treatment from a nonparticipating provider.

- The out-of-network deductible is two times the network deductible
- The out-of-network family deductible is two times the out-of-network deductible
- The out-of-network coinsurance amount is a specified additional percentage of charges
- Copays for office and facility visits are not accepted at nonparticipating providers. Those charges are subject to the out-of-network deductible and out-of-network coinsurance

---

## MEDICAL SERVICE RELATED

**Emergency Care** includes treatment, services or supplies for an illness or injury of such a nature that failure to get immediate medical attention or treatment could place the covered person's life in jeopardy or cause serious harm to the person's bodily functions.

**Hospital Services** include a hospital's semi-private room, board, intensive care, and miscellaneous services and supplies for illnesses, injuries, and maternity and well newborn care.

**Health Care Practitioner** is a person licensed by the state or other geographic area in which covered services are rendered to treat the kind of illness or injury for which a claim is made. Included are doctors, surgeons, assistant surgeons, anesthesiologists, physician assistants and nurses.

**Office Visit** is a face-to-face meeting between a covered person and a health care practitioner that takes place in the health care practitioner's office for evaluation, diagnosis and management of an illness or injury, or preventive services.

**Outpatient Physical Medicine Services** include physical, speech and occupational therapies, cardiac and pulmonary rehabilitation and treatment for developmental delay.

**Preventive Services** are those recommended by the U.S. Preventive Services Task Force, and include routine physicals, related x-rays and laboratory tests such as mammograms and PSA tests, well-child exams and immunizations.

**Primary Care Provider** is a health care practitioner who is: 1) a general or family practitioner, internist, pediatrician, obstetrician or gynecologist, or 2) designated by the network manager as a primary care provider.

**Urgent Care** includes treatment or services for an illness or injury that develops suddenly or unexpectedly outside of a health care practitioner's normal business hours that requires immediate treatment, but is not of sufficient severity to be considered emergency treatment.



ASSURANT  
Health®

For more information, or to apply for coverage,  
contact your insurance agent.

**Assurant Health**  
501 W. Michigan  
Milwaukee, WI 53203

### *About Assurant Health*

Assurant Health has been in business since 1892 and is the brand name for products underwritten and issued by Time Insurance Company, John Alden Life Insurance Company and Union Security Insurance Company. Together, these three underwriting companies provide health insurance coverage for almost one million people nationwide. Each underwriting company is financially responsible for its own insurance products. Primary products include individual medical, small group, short-term and student health insurance products, as well as non-insurance products and consumer-choice products such as Health Savings Accounts and Health Reimbursement Arrangements. With almost 3,000 employees, Assurant Health is headquartered in Milwaukee, Wisconsin, with operations offices in Minnesota, Idaho and Florida, as well as sales offices across the country. The Assurant Health Web site is [www.assuranthealth.com](http://www.assuranthealth.com).

Assurant Health is part of Assurant, a premier provider of specialized insurance products and related services in North America and selected international markets. Its four key businesses – Assurant Employee Benefits, Assurant Health, Assurant Solutions and Assurant Specialty Property – have partnered with clients who are leaders in their industries and have built leadership positions in a number of specialty insurance market segments worldwide.

Assurant, a Fortune 500 company and a member of the S&P 500, is traded on the New York Stock Exchange under the symbol AIZ. Assurant has more than \$24 billion in assets and \$8 billion in annual revenue. Assurant has approximately 15,000 employees worldwide and is headquartered in New York's financial district. The Assurant Web site is [www.assurant.com](http://www.assurant.com).

---

This brochure provides summary information. Please refer to the summary plan description for a complete listing of employee health benefits, exclusions and terms of coverage. Please refer to the stop-loss policy for a complete listing of employer stop-loss benefits, exclusions and terms of coverage. In the event that there are discrepancies with the information in this brochure, the terms and conditions of coverage documents will govern.

---