

**THE CHESAPEAKE LIFE INSURANCE COMPANY®**

A Stock Company

(Hereinafter called: the Company, We, Our or Us)

Home Office: Oklahoma City, Oklahoma

Administrative Office: P.O. Box 982010

North Richland Hills, Texas 76182-8010

Customer Service: 1-800-815-8535

www.uhcmemberhub.com

**HOSPITAL INDEMNITY INSURANCE POLICY  
OUTLINE OF COVERAGE FOR POLICY FORM CH-26131-IP (9/17) ME**

**THE POLICY PROVIDES LIMITED BENEFITS  
BENEFITS PROVIDED ARE SUPPLEMENTAL AND ARE NOT INTENDED TO COVER ALL  
MEDICAL EXPENSES**

The Policy does not meet the Federal requirement to have health care coverage under the Affordable Care Act.

**THIS IS A SUPPLEMENT TO HEALTH INSURANCE AND IS NOT A SUBSTITUTE FOR MAJOR MEDICAL COVERAGE. LACK OF MAJOR MEDICAL COVERAGE (OR OTHER MINIMUM ESSENTIAL COVERAGE) MAY RESULT IN AN ADDITIONAL PAYMENT WITH YOUR TAXES.**

This is NOT a Medicare supplement Policy and should not be considered a substitute for comprehensive health insurance coverage. If You are eligible for Medicare, review the Medicare Supplement Buyer’s Guide available from the Company.

- 1. READ YOUR POLICY CAREFULLY** – This outline of coverage provides a very brief description of the important features of Your Policy. This is not the insurance contract and only the actual Policy provisions will control. The Policy itself sets forth, in detail, the rights and obligations of both You and Us. It is, therefore, important that You **READ YOUR POLICY CAREFULLY!**
- 2. HOSPITAL INDEMNITY INSURANCE POLICY** – This plan is designed to provide coverage in the form of a fixed benefit during periods of Hospital Confinement or Hospital Observation resulting from a Sickness or Injury, subject to any limitations set forth in the Policy. This coverage is NOT intended to provide for any benefits other than the fixed indemnity benefits described below.
- 3. SCHEDULE OF BENEFITS** – Benefits are payable under the Policy as follows:

**Hospital Confinement Benefit for Sickness or Injury:**

Period of Confinement:

Days 1 through 3 6 10 21 180 365

\$ \_\_\_\_\_ (\$50 - \$1,000) per Insured Person,  
per day

Days 4 7 11 22 through 31:

\$50 per Insured Person, per day

**Hospital Observation Benefit for Sickness or Injury:**

*(Payable in lieu of Hospital Confinement Benefit)*

Benefit amount:

\$ \_\_\_\_\_ (\$50 - \$1,000) per Insured Person,  
per admission to a Hospital

Limited to:

4 admissions, per Insured Person, per Calendar Year

**Hospital Confinement Benefit for Mental or Nervous Disorders:**

Benefit amount:

\$250 per Insured Person, per day

Limited to:

7 days, per Insured Person, per Calendar Year

**OPTIONAL RIDER BENEFITS**

**Lump-Sum Hospital Confinement Rider:**

*(Payable only when Hospital Confined)*

Benefit amount: \$ \_\_\_\_\_ (\$250 - \$3,000) per Insured Person,  
per Confinement

Limited to: 1 Confinement, per Insured Person,  
per Calendar Year

**Outpatient Surgery Rider:**

Benefit amount: \$ \_\_\_\_\_ (\$250 - \$2,000) per Insured Person,  
per Surgery

Limited to: 2 Surgeries, per Insured Person,  
per Calendar Year

**Skilled Nursing Facility Rider:**

*(within 30 days of a Hospital Confinement for Sickness or Injury)*

Elimination Period:  0 days  20 days

Benefit amount: \$ \_\_\_\_\_ (\$100 - \$500) per Insured Person,  
per day

Limited to:  20 days  80 days  100 days per Insured Person,  
per Period of Care

**Emergency Care Rider:**

Benefit amount: \$ \_\_\_\_\_ (\$100 - \$500) per Insured Person,  
per visit

Limited to: 4 Emergency Room visits, per Insured  
Person, per Calendar Year

**Ambulance Transport Rider:**

*(payable only when Hospital Confined, due to a Sickness or Injury)*

Benefit amount: \$ \_\_\_\_\_ (\$100 - \$500) per Insured Person,  
per trip

Limited to: 4 trips, per Insured Person, per Calendar Year

**Outpatient Major Diagnostic Exam Rider:**

Benefit amount: \$ \_\_\_\_\_ (\$100 - \$500) per Insured Person,  
per exam

Limited to: 1 exam, per Insured Person, per day,  
2 exams, per Insured Person, per Calendar Year

**Wellness Rider:**

*(Subject to 30 day Waiting Period)*

Benefit amount: \$50 per Insured Person, per exam

Limited to: 1 exam, per Insured Person, per Calendar Year

**4. BENEFITS** – Benefits are payable as stated in the POLICY SCHEDULE – SCHEDULE OF BENEFITS, while an Insured Person’s coverage is in force under the Policy. Such benefits are subject to the Waiting Period, if any, shown in the POLICY SCHEDULE, the benefit amounts and limitations shown in the POLICY SCHEDULE, the Exclusions and Limitations, and all other provisions of the Policy.

- A. HOSPITAL CONFINEMENT FOR SICKNESS OR INJURY:** Benefits are payable under the Policy for each day an Insured Person is Hospital Confined due to Sickness or Injury, in accordance with the Schedule of Benefits shown in the POLICY SCHEDULE. Benefits are paid in lieu of and not in addition to the Hospital Observation benefit or Hospital Confinement benefit for a Mental or Nervous Disorder.
- B. HOSPITAL OBSERVATION FOR SICKNESS OR INJURY:** Benefits are payable under the Policy when an Insured Person is admitted for Hospital Observation as a result of a Sickness or Injury. Benefits will be paid in accordance with the Schedule of Benefits shown in the POLICY SCHEDULE, and will not be payable for Hospital Observation that exceeds 24 hours. Benefits are paid in lieu of and not in addition to the Hospital Confinement benefit for Sickness or Injury.
- C. HOSPITAL CONFINEMENT FOR MENTAL OR NERVOUS DISORDER:** Benefits are payable under the Policy for each day an Insured Person is Hospital Confined due to a Mental or Nervous Disorder, in accordance with the Schedule of Benefits shown in the POLICY SCHEDULE. Benefits are paid in lieu of and not in addition to the Hospital Confinement benefits for Sickness or Injury.
- 5. EXCLUSIONS AND LIMITATIONS –** We will not provide any benefits for any loss caused by, resulting from or in connection with:
1. Any care or benefits which are not specifically provided for in the Policy;
  2. Any act of war, declared or undeclared;
  3. Active military duty in the service of any country;
  4. Participation in a riot, civil commotion or insurrection;
  5. Mental or Nervous Disorders, unless otherwise stated in the Policy;
  6. Mandibular or maxillofacial surgery to correct growth defects after one year from the date of birth, jaw disproportions or malocclusions, or to increase vertical dimension or reconstruct occlusion;
  7. Weight loss or modification, or complications arising therefrom, or procedures resulting therefrom, or for surgical treatment of obesity, including wiring of the teeth and all forms of surgery performed for the purpose of weight loss or modification;
  8. Breast reduction or augmentation unless necessary in connection with breast reconstructive surgery following a mastectomy performed while insured under the Policy;
  9. Modification of the physical body in order to improve the psychological mental or emotional well-being of the Insured Person, such as sex-change surgery;
  10. Experimental or investigational medicine;
  11. Any treatment or procedure that either promotes or prevents conception or prevents childbirth, including but not limited to: (a) artificial insemination; (b) in-vitro fertilization or other treatment for infertility; (c) treatment for impotency; (d) sterilization or reversal of sterilization; or (e) abortion (unless the life of the mother would be endangered if the fetus were carried to term), unless otherwise stated in the Policy;
  12. Cosmetic surgery;
  13. Radial keratotomy or any eye surgery when the primary purpose is to correct nearsightedness, farsightedness, astigmatism, or any other refractive error;
  14. Operating any motorized passenger vehicle for wage, compensation or profit;
  15. Drug abuse or addiction including alcoholism, or overdose of drugs, narcotics, or hallucinogens, directly or indirectly;
  16. An overdose of drugs, being intoxicated or under the influence of intoxicants, hallucinogens, narcotics or other drugs, directly or indirectly;
  17. Directly or indirectly engaging in an illegal occupation or illegal activity or Your being incarcerated;
  18. Committing or trying to commit a felony;
  19. Normal pregnancy, except for Complications of Pregnancy while Hospital Confined;
  20. Hospital Confinement for routine or normal newborn child care;
  21. Mountaineering using ropes and/or other equipment, parachuting, hang gliding, racing any type of vehicle in an organized or unorganized event, sky diving, scuba diving below 130 feet, motorized racing, para-sailing, experimental aviation, ultra-light flying, base jumping, bungee jumping, heli-skiing or heli-snowboarding;
  22. Travel in or descent from any vehicle or device for aerial navigation, except as a fare paying passenger in an aircraft operated by a commercial airline certified by the U.S. Federal Aviation Administration (FAA), on a regularly scheduled passenger trip; and
  23. Care received outside of the United States.

**Pre-Existing Condition Limitations -** We will not provide benefits for any loss resulting from a Pre-Existing Condition, as defined in the Policy, unless the loss is incurred at least six months after the Effective Date of Coverage for an Insured Person.

6. **RENEWAL CONDITIONS** – The Policy is guaranteed renewable, subject to the Company's right to discontinue or terminate the coverage as provided in the TERMINATION OF COVERAGE section of the Policy. The Company reserves the right to change the applicable table of premium rates on a Class Basis. The premium for the Policy is based on the issue age of the Insured Person at the time in which the Policy becomes effective.
7. **BEGINNING OF COVERAGE** - Once We have approved Your application based upon the information You provided therein, the Effective Date of Coverage for You and Your Eligible Dependent, if any, listed in the application and accepted by Us will be the Policy Date shown in the POLICY SCHEDULE.
8. **TERMINATION OF COVERAGE** -

#### **You**

Your coverage will terminate and no benefits will be payable under the Policy and attached riders, if any:

1. At the end of the period for which premium has been paid (subject to the Grace Period);
2. If Your mode of premium is monthly, at the end of the period through which premium has been paid following Our receipt of Your request of termination;
3. If Your mode of premium is other than monthly, upon the next monthly anniversary day following Our receipt of Your request of termination. Premium will be refunded for any amounts paid beyond the termination date;
4. On the date You:
  - a. perform an act or practice that constitutes fraud; or
  - b. make an intentional misrepresentation of material fact, relating in any way to the coverage provided under the Policy, including claims for benefits under the Policy;
5. On the date We elect to discontinue the plan or type of coverage;
6. On the date We elect to discontinue all coverage in Your state; or
7. On the date an Insured Person is no longer a permanent resident of the United States.

Premium will only be refunded for any full months paid beyond the termination date.

#### **Covered Dependents**

Your Covered Dependent's coverage will terminate under the Policy on:

1. The date Your coverage terminates;
2. At the end of the month following the date such dependent ceases to be an Eligible Dependent;
3. If Your mode of premium is monthly, at the end of the period through which premium has been paid following Our receipt of Your request of termination;
4. If Your mode of premium is other than monthly, upon the next monthly anniversary day following Our receipt of Your request of termination. Premium will be refunded for any amounts paid beyond the termination date; or
5. On the date the Covered Dependent:
  - a. performs an act or practice that constitutes fraud; or
  - b. makes an intentional misrepresentation of material fact, relating in any way to the coverage provided under the Policy, including claims for benefits under the Policy.

Premium will only be refunded for any full months paid beyond the termination date.

The attainment of the Limiting Age for a Covered Dependent will not cause coverage to terminate while that person is and continues to be both:

1. Incapable of self-sustaining employment by reason of cognitive impairment or physical handicap; and
2. Chiefly Dependent on You for support and maintenance. For the purpose of this provision "Chiefly Dependent" means the Covered Dependent receives the majority of his or her support from You.

We will require that You provide written proof that the dependent is in fact a disabled and dependent person within 31 days after his or her attainment of the Limiting Age. Thereafter, We may require such written proof not more frequently than annually after the two-year period following the child's attainment of the Limiting Age. In the absence of such proof We may terminate the coverage of such person after the attainment of the Limiting Age.

**9. RIDER BENEFITS –**

**Lump-Sum Hospital Confinement Rider (Form CH-26132-IR)** - Benefits are payable when an Insured Person is Hospital Confined due to Sickness or Injury. This benefit is payable once per Insured Person, per Confinement and limited to one Confinement per Calendar Year. The Lump-Sum Hospital Confinement Rider benefit is not payable when an Insured Person is Hospital Confined due to Mental or Nervous Disorders or for Hospital Observation.

Benefit Amount: \$ \_\_\_\_\_ (\$250 - \$3,000) per Insured Person, per Confinement

**Outpatient Surgery Rider (Form CH-26133-IR)** - Benefits are payable for Surgery, due to Sickness or Injury, performed at an Outpatient Surgery Facility. This benefit is limited to 2 surgeries per Insured Person, per Calendar Year. If more than one Surgery is performed through the same incision during the same operation, only one Surgery benefit will be payable.

Benefit Amount: \$ \_\_\_\_\_ (\$250 - \$2,000) per Insured Person, per Surgery

**Skilled Nursing Facility Rider (Form CH-26134-IR)** - After the Elimination Period, if any, benefits are payable for Skilled Nursing Facility Confinement due to Sickness or Injury, provided Skilled Nursing Facility Confinement begins within 30 days of a Hospital Confinement. This benefit is limited to 20 days 80 days 100 days per Period of Care.

Elimination Period: 0 days 20 days

Benefit Amount: \$ \_\_\_\_\_ (\$100 - \$500) per Insured Person, per day

**Emergency Care Rider (Form CH-26135-IR)** - Benefits are payable for Emergency Care received in an Emergency Room for the treatment of a Sickness or Injury. This benefit is limited to 4 Emergency Room visits, per Insured Person, per Calendar Year.

Benefit Amount: \$ \_\_\_\_\_ (\$100 - \$500) per Insured Person, per visit

**Ambulance Transport Rider (Form CH-26138-IR)** - Benefits are payable for Ambulance transportation for a Sickness or Injury resulting in Hospital Confinement. This benefit is limited to 4 trips, per Insured Person, per Calendar Year. In no event will this benefit pay more than one Ambulance benefit amount per Insured Person, per day, regardless of how many Ambulance trips the Insured Person takes on the same day.

Benefit Amount: \$ \_\_\_\_\_ (\$100 - \$500) per Insured Person, per trip

**Outpatient Major Diagnostic Exam Rider (Form CH-26136-IR)** - Benefits are payable for the following Outpatient Major Diagnostic Exams when necessary for the diagnosis and treatment of the Sickness or Injury. This benefit is limited to 1 exam, per Insured Person, per day, 2 exams per Insured Person, per Calendar Year. Major diagnostic exams include Computerized Tomography (CT), Magnetic Resonance Imaging (MRI), Positron Emission Tomography (PET) scan, Angiogram, Computerized Tomography Angiogram Scan (CTA), Electroencephalogram (EEG) or Electrocardiogram (EKG).

Benefit Amount: \$ \_\_\_\_\_ (\$100 - \$500) per Insured Person, per exam

**Wellness Rider (Form CH-26137-IR)** – After the 30 day Waiting Period, benefits are payable for one of the following Wellness exams, while coverage under the Rider in force: annual physical, blood test for triglycerides, CA 19-9 (blood test for cancer), fast blood glucose test, hemocult stool analysis, PSA (blood test for prostate cancer, pap smear, immunizations/vaccinations, vision/hearing exams, serum protein electrophoresis (blood test for myeloma), stress test, biopsy for skin cancer, bone marrow biopsy and aspiration, breast ultrasound, CA 15-3 (blood test for cancer), CA 125 (blood test for cancer), CEA (blood test for cancer), chest X-ray, colonoscopy, flexible sigmoidoscopy, serum cholesterol test to determine level of HDL and LDL, mammography, and low-dose computed tomography (lung cancer screening). Benefits are limited to one exam per Insured Person, per Calendar Year.

Benefit Amount: \$50 per Insured Person, per exam

**10. PREMIUMS –** We reserve the right to change the table of premiums, on a Class Basis, becoming due under the Policy at any time and from time to time; provided, We have given You written notice of at least 60 days prior to the effective date of the new rates. Such change will be on a Class Basis. The premium for the Policy is based on the issue age of the Insured Person at the time in which the Policy becomes effective.

Premium Due (at time of application) \$ \_\_\_\_\_