

Carrizo CISD

Disability Income Insurance Protection

Underwritten by: Anthem Life Insurance Company
Administered by: Bay Bridge Administrators, LLC

This brochure is a summary of disability income insurance coverage that you may purchase as an employee of the school district. It is not intended to replace the Policy or the certificate of coverage which will be issued to you by Anthem Life if you purchase coverage. The full terms and conditions of the coverage are contained in the insurance Policy covering the district.

THIS INSURANCE PAYS YOU: This Disability Income Insurance plan helps to provide financial protection for you by replacing a portion of your income if you become Totally Disabled while the insurance is in effect and continue to be disabled beyond the Elimination Period. Checks are sent directly to you.

ELIGIBILITY: All active, full-time employees of the School District, called the Participating Employer, who work a minimum of 17.5 hours per week and: (1) are Actively-at-Work; (2) submit Evidence of Insurability satisfactory to The Carrier, if required; and (3) are not on full-time active duty in the armed forces of any county or international organization.

EFFECTIVE DATE: An Insured's insurance benefit that is less than or equal to the Guaranteed Issue Amount, indicated below, begins on the latest of the following:

- * the Participating Employer's Effective Date, if the Insured is a member of an eligible class prior to such date;
- * the first day of the month following the date the Insured becomes a member of an eligible class.

Any insurance benefit that is in excess of the Guaranteed Issue Amount will become effective on the first day of the month following the date The Carrier approves the required Evidence of Insurability.

If an eligible person is not Actively-at-Work, the effective date of such person's insurance will be delayed until the date the eligible person returns to being Actively-at-Work. However, should the effective date be a non-work day, insurance will still become effective on that date if the eligible person is otherwise Actively-at-Work and performing all of the Primary and Essential Duties of the such person's employment or occupation on the last preceding scheduled work day.

MONTHLY BENEFIT AMOUNT: \$200 to \$8,000, as elected in \$100 increments, not to exceed 66 2/3% of Basic Monthly Earnings.

GUARANTEED ISSUE AMOUNTS:

Employees who were participating in and insured by the Participating Employer's prior plan on the date immediately prior to the Participating Employer's Effective Date shown on the Policy Schedule and are Actively at Work on such date; All amounts that were in force under the Participating Employer's prior plan on the date immediately preceding the Participating Employer's Effective Date with Anthem Life Insurance Company are guaranteed issue up to the maximum benefit amount available under this Policy.

Insured's adding Voluntary Disability for the first time or Insured's who were not employees of the Participating Employer's on the Participating Employer's Effective Date Anthem Life Insurance Company;

Base Plan: Lesser of 66 2/3% of Employee's Basic Monthly Earnings or \$8,000

Optional Extended Benefit: \$400

Under the Base Plan You may apply for up to \$8,000 (not to exceed 66 2/3% of Basic Monthly Earnings) without answering questions about your current or past health history. *This amount of coverage is subject to the Pre-Existing Condition exclusion.* This guarantee issue amount only applies during the initial Open Enrollment period.

Newly hired employees have 31 days from their date of hire to apply for the guarantee issue amount. *Coverage is subject to the Pre-Existing Condition exclusion.* Employees currently insured can increase coverage up to the

guarantee issue amount during the initial Open Enrollment period without providing Evidence of Insurability. *The increased amount of coverage is subject to the Pre-Existing Condition exclusion.*

Employees who do not elect coverage during the initial Open Enrollment period or within 31 days from their date of hire (if newly hired), will be considered late entrants and are subject to Evidence of Insurability. Evidence of Insurability will need to be completed when an employee requests an increase of coverage at future annual re-enrollments or for all amounts of coverage for a late entrant.

ELIMINATION PERIOD: This means a period of consecutive days an Insured must be Totally Disabled in order to qualify for any disability benefit payments. The Elimination Period begins on the first day of Total Disability. Disability Income Benefits are not payable during the Elimination Period. You may elect one of the following Elimination Period options for Injury / Sickness: *0/3, *14/14, 30/30, 60/60, 90/90, 180/180

*** For elimination periods of 14 days or less, if you are hospital confined during the benefit waiting period, 1 through 4 will apply: 1) the remainder of your benefit waiting period will be waived; 2) disability benefits will become payable on the first day you are hospital confined; 3) your maximum benefit period will begin on the date disability benefits become payable; 4) you must be under the ongoing care of a physician while you are hospital confined.**

MAXIMUM BENEFIT PERIOD*:

Base Plan:

Sickness - 3 Years

Injury - To Age 65

Optional Extended Benefit: You may elect to be insured under this benefit if you are insured under the Base Plan and pay the required additional premium. If elected, it extends the Maximum Benefit Period for Sickness to age 65.

For Both Plans: If disabled on or after the date you attain age 64, benefits will be payable for the lesser of the duration shown below or the period shown above.

Insured's Age When Total Disability Commences	Maximum Benefit Period*:
64	30 Months
65	24 Months
66	21 Months
67	18 Months
68	To age 70 or 15 Months, whichever is less
69	To age 70 or 6 Months, whichever is longer
70 through 74	6 Months
75 through 79	2 Months
80 and older	1 Month

* Benefits for disability due to alcohol or drug disorders will be the same as other Sickness if confined in a Hospital or institution. But, if not confined in a Hospital or institution, benefits will be payable for 24 months or the Maximum Benefit Period shown above, whichever is less.

* Benefits for disability due to Mental Illness will be the same as other Sickness if confined in a Hospital or institution. But, if not confined in a Hospital or institution, benefits will be payable for 24 months or the Maximum Benefit Period shown above, whichever is less.

DEFINITIONS

ACTIVELY-AT-WORK: means performing in the customary manner, all the Primary and Essential Duties of the Insured's occupation with the Participating Employer, on a full-time basis, as indicated on the Schedule, at the employee's customary place of employment or business, or at some location to which that employment requires the employee to travel.

ASSOCIATED DISABILITIES: means successive periods of Total Disability due to related cause or causes provided that:

- (1) the periods of disability are separated by 6 months or less during which the Insured returns to Actively-At-Work status; and
- (2) the later period of disability follows a Total Disability for which benefits were paid under the Policy.

Associated Disabilities do not include successive periods of Total Disability due to related causes that are separated by more than 6 months.

BASIC MONTHLY EARNINGS: means an Insured's rate of earnings per month in effect immediately prior to the date his or her Total Disability begins. It does not include overtime, bonus or any other form of additional compensation, unless otherwise indicated on the Schedule.

CHEMICAL DEPENDENCY: means the physically or psychologically addictive relationship an individual may have with any drug or alcohol agent, as diagnosed by a Doctor, to the extent that it significantly interferes with the individual's social, psychological, or physical adjustments to common problems on a daily basis. Chemical Dependency does not include addiction to, or dependency on tobacco or food products.

CONFINEMENT/HOSPITAL CONFINED: means being an Inpatient upon the recommendation of a Doctor.

DOCTOR: means a person who is a practitioner of the healing arts, who is duly licensed in the state where such person is practicing and treating within the scope and limitations of that license. The term Doctor will not include the Insured, the Insured's spouse, children, brothers, sisters, parents, or any individual residing in such person's household.

EVIDENCE OF INSURABILITY: means a statement of medical history or condition or other evidence that a person is an acceptable risk for insurance as determined by the Company.

FULL DAY OF CONFINEMENT: means a day for which the Insured is charged a full day's room and board for Confinement in a Hospital.

GAINFUL OCCUPATION: means any occupation, considering the Insured's prior education, training and experience, that can provide or reasonably be expected to provide the Insured, within 12 months of return to work, earnings at least equal to the Insured's gross benefit under the Policy before any applicable reductions for Income From Other Sources.

HOSPITAL: means an institution which is legally constituted and operated in accordance with the laws pertaining to Hospitals in the jurisdiction where it is located, and which meets all of the following requirements:

- (1) it is engaged primarily in providing medical care and treatment to sick and injured persons on an Inpatient basis at the patient's expense;
- (2) it provides 24-hour-a-day nursing service by registered, graduate nurses;
- (3) it has a staff of one or more Doctors available at all times;
- (4) it provides on its premises, or through contracts with other institutions, organized facilities for diagnosis and for major operative surgery; and
- (5) it is not primarily a clinic, nursing home or convalescent home or similar establishment, nor, other than incidentally, a place for persons with mental or nervous disorders, the aged, alcoholics or drug addicts. Confinement in a special unit of a Hospital used primarily as a nursing, rest, or convalescent home shall be deemed, for the purposes of the Policy, to be Confinement in an institution other than a Hospital.

INJURY: means accidental bodily Injury of a person which is sustained while the Insured is covered under the Policy and which results in loss covered by the Policy.

INPATIENT means a person who incurs costs for at least one Full Day Of Confinement.

MENTAL ILLNESS: means a condition which is psychiatric or psychological in nature, including bipolar or manic depressive illness, anxiety, delusional or depressive disorders, psychotic or somatoform disorders, eating disorders or other mental or nervous disorders or conditions.

PARTIAL DISABILITY: means the Insured is, due to Injury or Sickness:

1. Able to perform one or more, but not all, of the Primary and Essential Duties of a Gainful Occupation on a full-time basis; or
2. Able to perform all of the Primary and Essential Duties of a Gainful Occupation on a part-time basis.

PRE-EXISTING CONDITION: means any disease or physical condition that required medical advice or treatment during the 12 months immediately before: (1) the Employee's initial Effective Date of insurance; or (2) the subsequent Effective Date of any increase in Benefits or coverage.

This Exclusion will not apply to Total Disability commencing after the earliest of:

1. the end of a period of 3 consecutive months of coverage during which time the Employee has received no medical advice or treatment for the condition; or
2. the date the Employee has been insured under the Group Policy for 12 consecutive months.

PRIMARY AND ESSENTIAL DUTIES: means those duties that are generally and regularly required in the performance of an occupation and which cannot be reasonably changed, accommodated or omitted.

REGULAR AND APPROPRIATE MEDICAL TREATMENT AND CARE: means a planned and documented program of treatment and observation by a Doctor, including clinical examination, diagnostic testing, prescription of medication and other forms of treatment. The Doctor's program must be submitted to, and be accepted by, the Company and must include a plan for the Insured's return to work, with or without limitations. The Insured must be under Regular and Appropriate Medical Treatment and Care during the Elimination Period, as well as during any period for which benefits are payable.

RELATED CONFINEMENTS: means successive periods of Hospital Confinement, unless:

- (1) the later Confinement results from causes entirely unrelated to the causes of the earlier Confinement; or
- (2) the Confinements are separated by at least 90 consecutive days.

SICKNESS: means illness or disease of an Insured that is diagnosed by a Doctor. With regard to Disability Income benefits only, pregnancy, childbirth and complications thereof will be considered "Sickness".

SOCIAL SECURITY DISABILITY QUALIFIED: means:

- (1) the Insured is entitled to and is receiving Social Security Disability Benefits; or
- (2) the Insured is entitled to receive Social Security Disability Benefits but is receiving Social Security Early Retirement or Widows/Widowers Benefits instead; or
- (3) the Insured is entitled to receive Social Security Disability Benefits, but benefits are not payable because they are being reduced by other income he receives; or
- (4) Social Security benefits have been applied for, denied and are under appeal; or
- (5) the Insured is otherwise entitled to Social Security Disability Benefits but benefits are denied solely because he has not earned the required minimum number of quarters under Social Security.

TOTAL DISABILITY OR TOTALLY DISABLED: means that the Insured is completely unable, due to Sickness or Injury or both, to perform the Primary and Essential Duties of:

- (1) his or her own occupation during the first 24 months of disability; and
- (2) after the first 24 months of disability, any Gainful Occupation.

In addition, after 24 months of disability, the Insured must be Social Security Disability Qualified.

To be considered Totally Disabled, the Insured may not in fact be engaged in any occupation for wage or profit other than in an approved vocational rehabilitation program.

Total Disability will be deemed to exist only if determined and/or confirmed by a Doctor as a result of personal visits and/or attention, and the Insured is under Regular and Appropriate Medical Treatment and Care. Such Regular and Appropriate Medical Treatment and Care must be in accordance with prevailing medical standards.

In no event will the loss of license or certification to practice one's profession, in and of itself, be construed to constitute Total Disability.

WELLNESS VISIT: means medical examinations and procedures that are preventative in nature and not for the treatment of an Injury or Sickness.

DISABILITY INCOME BENEFITS

WHEN BENEFITS ARE PAYABLE: The Carrier will pay the Insured a Disability Income Benefit when the following requirements have been met:

- (1) the Insured becomes Totally Disabled while covered under the Policy; and
- (2) the Insured has been continuously Totally Disabled beyond the Elimination Period shown in the Schedule.

The Disability Income Benefits will be paid for each complete month of continuous Total Disability following expiration of the Elimination Period until occurrence of the earliest of the following events:

- (1) the Insured ceases to be Totally Disabled.
- (2) the Maximum Benefit Period shown in the Schedule is exhausted.
- (3) the Policy terminates. (See Extension of Disability Income Benefits.)
- (4) the date the Insured is actively working at any Gainful Occupation, other than in an approved vocational rehabilitation program, as described in the Policy.
- (5) with respect to Insureds working in an approved vocational rehabilitation program or receiving Partial Disability Benefits: The date the Insured is able to increase current earnings by increasing the number of hours worked, or the number of duties performed, on a full-time or part-time basis, in any Gainful Occupation, but chooses not to do so.
- (6) the date the Insured is no longer receiving Regular and Appropriate Medical Treatment and Care.
- (7) the date the Insured refuses to participate in an approved vocational rehabilitation plan, as described in the "Rehabilitation Benefit."
- (8) the date the Insured fails to follow an appropriate treatment plan prescribed by the attending Doctor and endorsed by the Company.
- (9) the date the Insured's medical or psychiatric provider fails to provide a specific return to work plan which is accepted by the Company.
- (10) the date the Insured fails to report for or cooperate in submitting to medical examinations, consultations, or tests scheduled by the Company for the Insured.
- (11) the date the Participating Employer's coverage under the Policy terminates.

For purposes of computing the Maximum Benefit Period, Associated Disabilities will be counted as one period of Total Disability. Any disability that begins more than 90 days after an Injury will be considered a Sickness for the purpose of determining benefits.

PAYMENTS AND AMOUNTS: The Insured's Disability Income Benefit is the Monthly Benefit Amount elected by the Insured and approved by the Company. The amount of the Disability Income Benefit for periods less than a month will be determined on a daily basis at the rate of 1/30th of the Monthly Benefit Amount for each day.

The Company will not pay more than one Disability Income Benefit at the same time; that is, the Company will not be liable for disability due to Sickness when benefits are payable for disability due to Injury that occurred prior to the Sickness, nor for disability due to Injury when benefits are payable for disability due to Sickness that occurred prior to the Injury.

If an Insured is entitled to benefits under the Policy, and an Insured is also entitled to Income From Other Sources, the Disability Income Benefit payable under the Policy will be reduced by the amount of the Income From Other Sources. In no event will the Disability Benefits under this Policy be reduced to less than 15% of the benefit otherwise payable, or \$100, if greater.

After the initial calculation of Income From Other Sources, we will not modify the calculation of Income From Other Sources by any cost of living increases.

As used in this section, Income From Other Sources means the sum of the following:

- (1) the amount of temporary and/or permanent benefit awards for which the Insured is eligible under:
 - a. Workers' or Workmen's Compensation law;
 - b. occupational disease law;
 - c. any other act or law of like intent.
- (2) the amount of disability or retirement benefits under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension Plan, or any similar plan or act as follows:
 - a. disability or unreduced retirement benefits for which:
 - i. the Insured is eligible and, if applicable,
 - ii. the Insured's spouse, child or children are eligible because of the Insured's disability, or
 - iii. the Insured's spouse, child or children are eligible because of the Insured's eligibility for unreduced retirement benefits; or
 - b. reduced retirement benefits received by:
 - i. the Insured and if applicable,
 - ii. the Insured's spouse, child or children because of the Insured's receipt of the reduced retirement benefits.
- (3) the amount of any disability income benefits which the Insured is eligible to receive under:
 - a. any other group insurance plan of the Participating Employer; or
 - b. any governmental retirement system as a result of the Insured's job with the Participating Employer.
- (4) the amount of benefits the Insured receives under the Participating Employer's retirement plan as follows:
 - a. any disability benefits.
 - b. any retirement benefits.
- (5) the amount of any disability income benefits which the Insured is eligible to receive under any compulsory benefit act or law.
- (6) the amount of earnings the Insured earns or receives from any form of employment.
- (7) the amount received from any teacher's retirement association or public employees retirement association.

OFFERS OF EMPLOYMENT: If during a period of Regular and Appropriate Medical Treatment and Care, the Participating Employer, or any employer, offers the Insured employment in a Gainful Occupation and the Insured refuses to accept that employment, the Insured will no longer be considered Totally Disabled and Disability Benefits will cease.

PREGNANCY: Covered the same as any Sickness.

ESTIMATION OF INCOME FROM OTHER SOURCES: If the Insured does not apply or reapply for and pursue a claim for Income From Other Sources through all of the administrative levels which the Company deems necessary and appropriate for any reason, the Company will estimate the Income From Other Sources that the Insured or the Insured's dependents, if applicable, would receive, from the earliest date that the Insured or the dependents would have been eligible to receive such benefits.

The Insured must reapply or appeal denials for Social Security Disability Income benefits through the administrative law judge level, if requested to do so by the Company.

An estimate of the Income From Other Sources will not be made if the Insured gives the Company proof of the following events:

- (1) application was made for these benefits.
- (2) the Insured signs an agreement to reimburse the Company for the amount of any overpaid benefit.
- (3) any and all appeals were made for these benefits or the Company determines further appeals will not be successful.
- (4) payments were denied.

If the Company reasonably believes that the Insured is receiving, or is eligible to receive, Income From Other Sources, it has the right to require to its complete satisfaction, written documentation:

- (1) that the Insured has made a timely and proper claim for Income From Other Sources;
- (2) that the Insured has made a diligent attempt to collect such claim; and
- (3) showing the amount and circumstances of the Income From Other Sources.

The Company will send the Insured a written request for any required documentation. The Insured must provide such documentation within 30 days after receiving the Company's request. If the Insured does not reply within 30 days, the Company will presume that the Insured is entitled to Income From Other Sources and will reduce the Disability Benefit by an estimate of Income From Other Sources.

During any period when the Insured is in pursuit of Income From Other Sources, the Company reserves the right to make alternative payment arrangements as agreed upon with the Insured. An alternative payment arrangement will require a written agreement incorporating a promise to repay to the Company any Disability Benefit the Insured has received equal to any Income From Other Sources when such are actually received by the Insured.

Income From Other Sources which are paid in a lump sum by compromise, settlement or other method will be prorated on a monthly basis over the time period for which the sum is given. If no time period is stated, the sum will be prorated on a monthly basis over the lesser of the following:

- (1) the Policy's Maximum Benefit Period; or
- (2) sixty (60) equal payments.

If Income From Other Sources which are paid in a lump sum are paid on a retroactive basis, the Company may adjust the Disability Benefit to offset any overpayment.

If the Company has overpaid the Disability Benefit due to an understatement of Income From Other Sources, it will request that such overpayment to be repaid to the Company by the Insured immediately upon the Insured's receipt of proof of the overpayment. The Company has the right to suspend the entire amount of any and all future payment of the Disability Benefit or take such other collection activities as it deems appropriate until the overpayments have been collected.

WAIVER OF PREMIUM: If an Insured becomes Totally Disabled while insured under the Policy, the Company will waive an Insured's premium payment for the Insured's insurance on any premium due date on which:

- (1) the Insured remains Totally Disabled due to the Total Disability, which has continued without interruption for 90 consecutive days; and
- (2) disability Benefits are being paid or are payable for the Total Disability.

EXTENSION OF DISABILITY INCOME BENEFITS: If an Insured is Totally Disabled on the date that the Policy terminates, or the Participating Employer's coverage under the Policy terminates, Disability Income Benefits will continue in accordance with the terms of the Policy, but only so long as the Insured's Total Disability remains continuous and uninterrupted. Benefits will not be extended to cover subsequent Associated Disabilities.

REHABILITATION BENEFIT: Disability Income Benefits will continue if, during a period of Total Disability, the Insured returns to work in an approved vocational rehabilitation program. Participation will not of itself, indicate the Insured is no longer Totally Disabled, even though the Insured engages in a Gainful Occupation as part of that program. To qualify as an "approved vocational rehabilitation program", a vocational rehabilitation program must be approved in writing by the Company prior to the commencement of the Insured's participation in the program. (If the Doctor's program of treatment shows that the Insured is not able to participate in the approved vocational rehabilitation program due to Total Disability, then no such program of vocational rehabilitation will be approved.)

When Disability Income Benefits are continued under this section, such benefits will be reduced by 80% of any gross income the Insured receives while participating in the program.

Continuation of benefits under this section will never exceed the lesser of 12 calendar months or the Maximum Benefit Period.

SURVIVOR BENEFIT: The Company will pay a Survivor Benefit if an Insured dies after having been Totally Disabled for a minimum of 180 days and was receiving or entitled to receive Disability Income Benefits under the Policy. The Company will pay to the Insured's eligible Survivor a lump sum amount equal to 3 times the Insured's last Disability Income Benefit, without reduction of for Income From Other Sources. Eligible Survivor means the Insured's lawful spouse, if living, otherwise the Insured's children under age 25 at the time of death. The term "children" means unmarried children under age 25 who are chiefly dependent upon the Insured for financial support. If a payment becomes due to such children, payment will be divided equally among all the Insured's children. Such payment will be made directly to the children or to a person authorized to receive payments on behalf of the children. This designation will be valid and effective against all claims by others who represent or claim to represent the children. If no Eligible Survivor exists, benefits will be paid to the Insured's estate.

ACCELERATED SURVIVOR BENEFIT: The Company will pay an accelerated survivor benefit to you if you are terminally ill, payable in a lump sum equal to 3 times the Insured's last Disability Income Benefit, without reduction of for Income From Other Sources.

Your right to exercise this option and to receive payment is subject to the following:

- Your disability has continued for 180 or more consecutive days;
- You are receiving or are entitled to receive Disability Income Benefits under the Policy;
- You request this election, in writing, on a form acceptable to The Company;
- You must be terminally ill at the time of payment of the Accelerated Survivor Benefit;
- Your Physician must certify, in writing, that you are terminally ill and your life expectancy has been reduced to less than 12 months; and
- The Physician's certification must be deemed satisfactory to The Company

The Accelerated Survivor Benefit is available on a voluntary basis. Therefore, you are not eligible for this benefit if:
You are required by law to use this benefit to meet the claims of creditors, whether in bankruptcy or otherwise; or
You are required by a government agency to use this benefit in order to apply for, receive, or otherwise keep a government benefit or entitlement.

An election to receive the Accelerated Survivor Benefit will result in the Survivor Benefit not being paid when you have died.

Benefit paid may be taxable. The Company is not responsible for any tax or other effects of any benefit paid. As with all tax matters, you should consult your personal tax advisor to assess the impact of this benefit.

DISABILITY INCOME EXCLUSIONS / LIMITATIONS: Disability Income Benefits are not payable under the Policy for any of the following or losses that result therefrom:

- (1) any period of disability during which the Insured is not under the direct care and treatment of a Doctor.
- (2) attempted suicide or intentionally self-inflicted Injury, while sane or insane.
- (3) declared or undeclared act of war.
- (4) Injury sustained while committing or attempting to commit a felony, or misdemeanor.
- (5) Injury sustained during participation in a riot, insurrection or rebellion.
- (6) alcohol or drug disorders of any type, except to the extent shown in the Schedule.
- (7) Injury sustained while participating in a civil commotion, act of civil disobedience or unlawful assembly except while acting in a lawful manner within the scope of authority.
- (8) Injury sustained while participating in a contest (or sport) of speed, parachuting or hang gliding.
- (9) elective or cosmetic surgery, except when performed to repair damage to the natural body caused by a covered Sickness or Injury.
- (10) voluntary abortion, except where the Insured's life would otherwise be endangered.
- (11) active duty with any police or military organization.
- (12) Injury sustained while operating, riding in, or descending from any kind of aircraft, except when riding solely as a passenger on a licensed, commercial, non-military aircraft.
- (13) Pre-existing Conditions. This Exclusion will not apply to Total Disability beginning after the following:
 - (a) With respect to coverage in effect on your coverage effective date, the earlier of:
 - (i) the date you have been insured under the Policy for 12 consecutive months; or
 - (ii) the end of a period of 3 consecutive months (commencing before or after your coverage effective date), during which you received no medical advice or treatment (including use of prescription drugs) in connection with the condition.
 - b) With respect to any increase in benefits that are effective after your coverage effective date, the earlier of:
 - (i) the date the increase in your benefit has been effective for 12 consecutive months; or
 - (ii) the end of a period of 3 consecutive months (commencing before or after the effective date of the increase in your benefit), during which you received no medical advice or treatment (including use of prescription drugs) in connection with the condition.

ADDITIONAL COVERAGE:

HOSPITAL/MEDICAL INCOME BENEFITS:

HOSPITAL CONFINEMENT BENEFIT: If you are Hospital Confined as an Inpatient due to Sickness or Injury, a daily benefit of \$100 will be paid. This payment will begin on the 1st day of Confinement and continues up to a 90 day maximum. Later periods of Confinement in a Hospital due to the same or related cause(s) will be considered one continuous period of Confinement unless separated by return to Actively-at-Work status for at least 6 months.

MEDICAL TREATMENT BENEFIT:

Sickness or Wellness: \$50 payable, limited to one Doctor's visit per day.

Injury that requires treatment by a Doctor other than at the Emergency Room: \$75.00 payable, limited to one Doctor's visit per day.

Injury that requires treatment by a Doctor at the Emergency Room: \$150 payable, limited to one Emergency Room visit per day.

Not more than 4 occurrences per calendar year for any combination of the above categories.

The Carrier will pay the Benefit noted above upon receipt of proof that an Insured has received treatment by a Doctor as a result of a Sickness, Injury or Wellness Visit to promote good health, provided:

- (1) no other benefits are payable under the Policy as a result of the condition for which the treatment was rendered; and
- (2) treatment is not for routine dental care.

No Medical Treatment Benefit will be paid as a result of Sickness or Injury unless:

- (1) the Insured is personally seen and treated by a Doctor; and
- (2) the expense was incurred on a regularly scheduled work day, no part of which the Insured spent Actively-At-Work.

There is a limit of 4 occurrences per calendar year.

HOSPITAL/MEDICAL INCOME EXCLUSIONS: Hospital/Medical Benefits are not payable under the Policy for any of the following or loss that results therefrom:

- (1) Confinement which is not ordered by a Doctor.
- (2) Confinement which is not reasonably necessary for the medical care of Sickness or Injury.
- (3) suicide, attempted suicide, or intentionally self-inflicted Injury, while sane or insane.
- (4) declared or undeclared war, including resistance to armed aggression.
- (5) Pre-Existing Conditions. This Exclusion will end on the earlier of:
 - (a) the date the person has been insured under the Policy for 12 consecutive months; or
 - (b) the end of a period of 3 consecutive months (commencing before or after the effective date of the person's coverage), during which the person has received no medical advice or treatment in connection with the condition – and Confinements beginning afterwards will be covered.
- (6) cosmetic surgery, unless the surgery is performed to remedy a result of an accidental Injury sustained while insured under the Policy.
- (7) Injury sustained while committing or attempting to commit a felony, or during resulting Confinement.
- (8) Injury sustained during participation in a riot.
- (9) Injury sustained as a consequence of being under the influence of any narcotic or drug, unless the drug was prescribed by a Doctor.
- (10) alcohol disorders.
- (11) Injury sustained while operating, riding in, or descending from any kind of aircraft, unless that Injury is sustained while riding solely as a passenger on a licensed, non-military, commercial aircraft.
- (12) Confinement outside of the United States or Canada, except when required by an emergency arising while temporarily away from these two countries for a period of 3 months or less.

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS:

WHEN BENEFITS ARE PAYABLE: The Carrier will pay Accidental Death and Dismemberment Benefits when all of the following conditions have been met:

- (1) the Insured sustained an accidental bodily Injury while insurance under the Policy was effective.
- (2) the Injury, directly and independently of all other causes, resulted in a Covered Loss.
- (3) the Covered Loss occurred within 90 days after the Injury was sustained.

Covered Losses And Amount Payable: The Principal Sum is \$30,000. When Accidental Death and Dismemberment Benefits are payable, the Company will pay the percentage of the applicable Principal Sum for a Covered Loss as indicated below. If an Insured sustains more than one Covered Loss as a result of any one accident, the total amount payable for all Covered Losses shall never exceed the Principal Sum.

Loss of a limb means severance at or above the wrist or ankle. Loss of sight means total and irrecoverable loss of sight. Loss of thumb and index finger means severance at or above the metacarpophalangeal joints.

The Company may require medical examination of the person for who claim is made or make an autopsy if not forbidden by law.

Covered Loss	Percentage of Principal Sum Payable
loss of life	100%
loss of two limbs	100%
loss of sight of both eyes	100%
loss of one limb and the sight of one eye	100%
loss of both speech and hearing	100%
loss of one limb	50%
loss of sight of one eye	50%
loss of either speech or hearing	50%
loss of thumb and index finger one hand	25%

ACCIDENTAL DEATH AND DISMEMBERMENT EXCLUSIONS:

Accidental Death and Dismemberment Benefits are not payable for any of the following or loss that results therefrom:

- (1) suicide, attempted suicide, or intentionally self-inflicted Injury, while sane or insane.
- (2) disease, bodily or mental infirmity, or medical or surgical treatment for these conditions.
- (3) bacterial infections, except when caused by an accident or medical treatment of an accidental Injury.
- (4) operating, riding in, or descending from any kind of aircraft, except when riding solely as a passenger on a licensed, commercial, non-military aircraft.
- (5) declared or undeclared war, including resistance to armed aggression.
- (6) committing or attempting to commit a felony, or a resulting confinement.
- (7) participating in a riot.
- (8) use of narcotic or hallucinogenic drugs, unless prescribed by a Doctor.

ADDITIONAL COVERAGE:

PARTIAL DISABILITY INCOME AND THE WORK INCENTIVE BENEFIT

To qualify for Partial Disability Benefits, Insureds must:

- (1) be Partially Disabled;
- (2) if Disabled and working, Disability Work Earnings are at least 20% but less than or equal to 80% of the Insured's Monthly Earnings prior to commencement of Partial Disability.
- (3) satisfy the Elimination Period with the required number of days of either Partial Disability or a combination of Total and Partial Disability.

During the first 12 months of Partial Disability Benefits, the monthly benefit will be figured by using the following Steps 1 through 4:

Step 1: Multiply Monthly Earnings by 66 2/3%.

Step 2: From 100% of the Insured's Monthly Earnings subtract any Deductible Sources of Income including Disability Work Earnings.

Step 3: Compare the results from Steps 1 and 2 with the maximum benefit for this plan.

Step 4: the Insured's Monthly Benefit Payment is the lesser of the amounts from Step 3.

After the first 12 months of Partial Disability Benefit payments, the monthly benefit will be figured by dividing the reduction of earnings by the average Monthly Earnings prior to Total Disability and multiplying the result by the net total disability monthly benefit amount:

(A divided by B) x C

A = the Insured's pre-disability earnings minus the Insured's monthly earnings received while he is disabled.

B = the Insured's pre-disability earnings.

C = the total monthly disability benefit (less other sources).

A Partial Disability monthly benefit will not be paid for any period during which the Insured:

- (1) is not under the direct care and treatment of a Doctor;
- (2) is receiving benefits under this Policy for Total Disability;
- (3) has suffered a loss of earnings for any reason other than a disability; or
- (4) has income that exceeds 80% of the Insured's basic earnings prior to commencement of Partial Disability;
- (5) has reached the Maximum Benefit Period.

WORKPLACE MODIFICATION BENEFIT: If the Insured is Disabled and is receiving a Monthly Benefit Payment, a Workplace Modification Benefit may be payable to accommodate the Insured in returning to work. The Company may reimburse the Participating Employer for up to 100% of the reasonable costs not to exceed \$25,000 that the Participating Employer incurs through modifications to the workplace to accommodate the Insured's return to work, and to assist the Insured in remaining at work.

To qualify for this reimbursement, the Insured must:

1. be Disabled according to the terms of the Policy; and
2. have the reasonable expectation of returning to active employment and remaining in active employment with the assistance of the proposed workplace modification.

WORK RETENTION ASSISTANCE BENEFIT:

If the Insured: 1) has a medical condition or functional impairment that he or she reports to the Company and that the Company determines has the potential to result in a Disability; but 2) has not yet become Disabled,

The Company may provide vocational rehabilitation services and assistance it determines necessary and appropriate to minimize the effects of such condition or impairment and to assist in retaining the ability to perform the Primary and Essential Duties of his or her Own Occupation or of another appropriate gainful occupation offered by the Employer.

FAMILY CARE BENEFIT:

We will pay the additional benefit shown below if:

- (a) The Insured is receiving Monthly Benefit Payments for Disability and is participating in a Company approved vocational rehabilitation program, and
- (b) The Insured is incurring expenses to provide care for a Family Member under the age of 15 or dependent upon the Insured because of a physical or mental handicap; and
- (c) The Insured's Family Member is dependent on the Insured for support and maintenance; and
- (d) Care for the Family Member is given by a licensed child-care center or a licensed care giver who is not a relative. In states where non-institutional daycare providers are not licensed, the daycare provider must provide his or her tax identification number for verification of benefits.; and
- (e) Satisfactory Proof of Family Care Expenses is provided at the time of claim. Such Proof must include written receipts from the child-care center or caregiver, including social security number or taxpayer identification number.

The Family Care Benefit will begin immediately after the Insured starts a vocational rehabilitation program. **The Company will reimburse the Insured by the amount of Family Care Expenses up to a maximum of 10% of the Insured's Monthly Disability Income Benefit, without reduction for Income From Other Sources not to exceed \$350.00 per month per family member.**

"Family Care Expenses" means the expense the Insured incurs for the care of a Family Member in order to work or participate in a vocational rehabilitation program approved by the Company.

"Family Member" means: the Insured's child(ren), spouse, parents, or grandparents who are dependent on you for support and maintenance and live with you.

The Family Care Benefit will end on the earliest of the following dates:

- 1. The Insured ceases to be paid a Monthly Benefit Payment;
- 2. 12 months of Family Care Benefits have been paid;
- 3. The Insured is no longer incurring expenses to provide for a Family Member;
- 4. The Insured no longer participate in a Company approved vocational rehabilitation program; or
- 5. Any other requirement or condition of the Policy is not met.

CHILD EDUCATION BENEFIT: If the Insured is Disabled and receiving Monthly Benefit Payments for Disability under the Policy, he or she may apply for a Child Education Benefit. The amount of the benefit will be 10% of the Insured's Monthly Disability Income Benefit, without reduction for Income From Other Sources, not to exceed \$350.00 per month for each of dependent child who is an Eligible Student. Child Education Benefits are in addition to the regular Monthly Benefit Payments. The Insured must be participating in a Company approved vocational rehabilitation program to be eligible for the Child Education Benefit.

"Eligible Student" means the Insured's unmarried dependent child under the age of 25 who is attending an Accredited Institution as a Full-Time Student.

"Full-time Student" means having a full course load as defined by the Accredited Institution.

“**Accredited Institution**” for higher learning means any university, college or trade school, which is accredited by a regional accrediting agency that is recognized by the United States Department of Education.

The Benefit is paid to the Insured upon receipt of satisfactory Proof that the dependent child is attending an Accredited Institution for higher learning as a Full-time Student, but reimbursement will not be made for expenses incurred prior to Disability, or for room, board or other ordinary living, traveling or clothing expenses.

ACTIVITIES OF DAILY LIVING BENEFIT: The Insured must be receiving Monthly Benefit Payments under the Policy to receive this Benefit. The Insured is eligible to receive Benefits, when the Company receives satisfactory Proof that due to the Disability for which the Insured is receiving Monthly Benefit Payments under the Policy, he or she:

- loses the ability to safely and completely perform 3 Activities of Daily Living in addition to Transferring without another person’s assistance or verbal cueing; or
- have a deterioration or loss in intellectual capacity and need another person’s assistance or verbal cueing for protection or for the protection of others.

Activities of Daily Living mean:

1. **Bathing:** the ability of the Insured to wash him or herself either in the bathtub or shower or by sponge bath with or without equipment or adaptive devices including the task of getting into or out of the bathtub or shower.
2. **Dressing:** the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn;
3. **Toileting:** the ability to get to and from and on and off the toilet, and performing associated personal hygiene.
4. **Transferring:** the ability to move in and out of a chair or bed with or without equipment such as canes, quad canes, walkers, crutches or grab bars or other support devices including mechanical or motorized devices.
5. **Mobility** – the ability to walk or wheel on a level surface from one room to another with or without assistance of equipment.
6. **Continence:** the ability to either:
 - voluntarily control bowel and bladder function; or
 - if incontinent, be able to perform associated personal hygiene (including caring for a catheter or colostomy bag).
7. **Eating:** the ability to get nourishment into the body.

An Activities of Daily Living loss that existed prior to the Insured’s effective date of coverage under the Policy is not considered as a loss under this Benefit.

The Activities of Daily Living Benefit is **10% of the Insured’s Monthly Disability Income Benefit, without reduction for Income From Other Sources, not to exceed \$1,000.00 per month.**

The Activities of Daily Living Benefit ends on the earliest of the following:

1. The Insured ceases to be paid a Monthly Benefit Payment;
2. 12 months of Activities of Daily Living Benefits have been paid;
3. The Insured recovers the Activities of Daily Living that were lost as a result of Disability;
4. The Insured dies.
5. any other requirement or condition of the Policy is not met.

No Survivor benefits are payable under the Activities of Daily Living Benefit.

EFFECT OF PRIOR COVERAGE: If coverage under the Policy replaces a prior plan of insurance, a person who is otherwise a member of an eligible class under the Policy shall be covered without regard to any Actively-at-Work, or Evidence of Insurability requirement if:

- (1) such person was validly covered under the prior plan on the Participating Employer's Effective Date; and
- (2) the applicable premium is paid.

If benefits payable under the Policy are subject to an applicable pre-existing condition limitation, such benefits will be the lesser of:

- (1) benefits under the Policy without application of the pre-existing conditions limitation; or
- (2) benefits of the Prior Plan.

CHANGES IN COVERAGE: If any change in benefits or coverage is requested, that change shall become effective as of the date of the Company's approval of that change. If that change operates to increase Benefits or coverage, then the effective date of the change will be delayed for an Insured who is not Actively-at-Work until the date the Insured returns to Active Work. Should the effective date be a non-work day, insurance will still become effective on that date if the Insured is Actively-at-Work on the last preceding scheduled work day.

WHEN COVERAGE STOPS:

An Insured's insurance will automatically terminate on the earliest of the following dates:

- (1) the date that the Policy terminates.
- (2) any premium due date, if premium remains unpaid by the end of the grace period.
- (3) the premium due date coinciding with or next following the date the Insured ceases to be a member of an eligible class.
- (4) the date that the Insured terminates Actively-at-Work status for any reason other than Total Disability. An Insured who is no longer Actively-at-Work due to an authorized leave of absence may continue to be covered under the Policy until the earlier of:
 - a. the date employment is formally terminated; or
 - b. 12 months after the leave of absence began.
- (5) the premium due date coinciding with or next following the date the Participating Employer's coverage under the Policy terminates.

REINSTATEMENT:

Eligible Persons formerly covered under the Policy whose coverage was voluntarily terminated may request to reinstate their coverage under the Policy. The Company may require evidence of insurability before approving any request for reinstatement of voluntarily terminated coverage. Any such evidence will be at the former Insured's expense. Coverage reinstated after any voluntary termination will become effective on the date the Company approves the request for reinstatement. In all other cases, reinstatement of coverage will begin in accordance with the provision of the Policy titled "When an Insured's Insurance is Effective."

This information is a brief description of the important features of the insurance plan. It is not a contract of insurance. The terms and conditions of coverage are set forth in Policy number N25000051, on Policy Form number GP-EXL-VDI-TR. The Policy is subject to the laws of the state in which it is issued. Please keep this information as a reference.

Anthem Life Insurance Company is rated "A" Excellent by A.M. Best Company, the oldest and most recognized insurance rating organization. The rating is an indication of the company's financial soundness and ability to meet obligations to its insureds.