

# Hospital Recovery & Personal Accident Agent Handbook



**For Agent Use Only.**  
**Not for Solicitation Purposes.**

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# I. HOSPITAL RECOVERY INSURANCE

## Why Hospital Recovery?

Approximately 1 in 10 (9.7%) Americans ages 45 to 64, and nearly 1 in 5 (18.9%) ages 65 and older, experience a hospital stay during a one-year period.<sup>1</sup>

Over the past two decades, hospital stays have become shorter as patients are sent home earlier to complete their recovery. **From 1993 to 2008, average hospital stays decreased by about 20% – from 5.7 days to 4.6 days.**<sup>2</sup>

- Males = 4.9 days
- Females = 4.4 days

A shorter hospital stay may mean additional out-of-pocket expenses, which are not typically covered by most health plans.

### Average hospital stays for specific conditions:<sup>3</sup>

- Stroke: 4.6 days
- Heart Attack: 5.0 days
- Cancer: 6.0 days
- Pneumonia: 4.9 days
- Respiratory Failure: 8.9 days

### Common Expenses Incurred During Recovery (post-hospitalization):

- Home care assistance
- Rehabilitative services
- Child care
- Housekeeping help
- Uncovered medical expenses\*
- Lost wages while away from work
- Transportation to/from appointments
- Yard work

\* Increasing health insurance deductibles and co-pays place more financial burden on individuals who require a hospital stay.

<sup>1,2,3</sup> Weighted national estimates from HCUP NIS, 2008, AHRQ, based on data collected by individual States and provided to AHRQ by the States. U.S. Population figure from Census Bureau website, July 2010.

## Hospital Recovery – Product Information

LifeSecure Hospital Recovery benefits are paid directly to the policyholder, or someone designated by the policyholder, upon discharge from the hospital. Whether they need rehabilitative services or assistance around the house, this insurance plan provides benefits to help them pay for services and resources they want.

### Choosing A Plan

Choosing a Hospital Recovery plan that's right for your client is easy. Simply select a **Daily Benefit Amount**. That's all – no riders or options.

#### Select a Daily Benefit Amount

(any amount between \$100 and \$999)

The **Daily Benefit Amount** represents the amount payable upon discharge for each day your client is hospitalized as an inpatient (up to a maximum of 15 days per calendar year).

#### Calculate The Annual Benefit Bank

The **Annual Benefit Bank** is the total dollar amount available per calendar year, and is equal to the Daily Benefit Amount multiplied by 15. On January 1st of each year, the Annual Benefit Bank will replenish to its full amount.

For example, a \$500 Daily Benefit Amount would give the policyholder an Annual Benefit Bank of \$7,500.

Daily Benefit Amount		# Days		Annual Benefit Bank
\$500	X	15	=	\$7,500

### Benefit Payout

Calculating the **Benefit Payout** is easy! Just multiply the Daily Benefit Amount by the number of days spent in the hospital. The full Benefit Bank amount is payable if the policyholder is hospitalized for 15 days or more in a calendar year (1-15 days).

#### A Claim Example

Jane Doe – Hospitalized for Hip Replacement Surgery

- What Daily Benefit Amount did Jane select? \$500
- How much is her Annual Benefit Bank? \$7,500
- How long was her hospital stay? 4 days
- How much will she receive? \$2,000

Daily Benefit Amount		# Days		Benefit Payout
\$500	X	4	=	\$2,000

- What is Jane’s remaining Benefit Bank balance? **\$5,500**

Annual Benefit Bank		Benefit Payout		Remaining Benefit Bank Balance*
\$7,500	—	2,000	=	\$5,500
* available through end of calendar year				

Jane’s Annual Benefit Bank will replenish to the full amount of **\$7,500** on January 1st of each year.

**Exclusions and Limitations \***

No benefits will be payable under this policy for confinement in a hospital for a sickness or injury that was directly or indirectly a result of:

- operating, learning to operate, or serving as a crew member of any aircraft; or
- engaging in hazardous activities; or
- officiating, coaching, practicing for or participating in any semi-professional or professional competitive athletic contest for which any type of compensation or remuneration is received; or
- an illness, treatment or medical condition that is due to war or act of war which is not an act of terrorism, whether declared or undeclared, while serving in the armed forces or any auxiliary unit; or
- participating in or attempting to participate in an illegal activity that is classified as a felony, whether charged or not (the term felony is as defined by the law of the jurisdiction in which the activity takes place); or
- dental treatment or plastic surgery for cosmetic purposes (this exclusion does not apply if the treatment or surgery is (a) due to an injury; or (b) to restore normal bodily functions); or
- elective surgery that is not medically necessary; or
- normal pregnancy except for complications of pregnancy; or
- an illness, treatment or medical condition that results from an attempt at suicide, while sane or insane (CO & MO residents – while sane), or an intentionally self-inflicted injury (SD residents – an illness, treatment or medical condition that results from an attempt at suicide or self-inflicted injuries); or
- expenses for treatment for a mental or nervous disorder or disease; or
- being intoxicated or under the influence of alcohol, drugs or any narcotic unless administered on the advice and instructions of a licensed health care provider (not applicable in SD); or
- care or services provided outside the United States of America, its territories or possessions, or Canada; or
- any pre-existing condition as defined in the policy that occurred within the 12 month (NM, NV & WY residents – 6 month) period before the policy effective date (such condition not covered for the first 6 months after the policy effective date).

\* Policy Limitations and Exclusions vary by state. See the state-specific outline of coverage in the Application & Forms Kit, located in the PDF Library of your Agent Portal.

## Application Review – Hospital Recovery

LifeSecure Hospital Recovery insurance is a **modified guaranteed issue** product. The applicant’s responses to the bulleted list below are reviewed/underwritten during the online application process.

Applications submitted online result in a policy approval or decline (postpones are not an outcome for this product). The premium rates for Hospital Recovery are not based on “rate class”, as it the case with some other insurance products. All premium rates are calculated based only on age and the Benefit Bank Amount selected.

LifeSecure’s review and underwriting of Hospital Recovery applications includes:

- All sections of the application
- Age (eligible ages 18–75 years)
- Height and Weight for eligibility within the Build Chart (see below)
- Responses to Medical Information questions (see next page)
- Applicant’s Signature
- Agent Appointment verification

### Build Chart

Height	Minimum	Maximum
4'6"	80	188
4'7"	83	195
4'8"	85	200
4'9"	87	208
4'10"	89	214
4'11"	91	219
5'0"	93	224
5'1"	95	235
5'2"	96	247
5'3"	98	253
5'4"	101	258
5'5"	104	264
5'6"	106	270
5'7"	110	278
5'8"	113	287
5'9"	117	294
5'10"	121	302
5'11"	124	316
6'0"	128	322
6'1"	132	328
6'2"	136	339
6'3"	139	345
6'4"	142	350
6'5"	145	356
6'6"	149	363
6'7"	153	370
6'8"	157	375
6'9"	162	382
6'10"	167	390

### **Medical Information — Questions from the Hospital Recovery Insurance Application:**

*Note: If applicant answers "Yes" to any part of any question below, coverage will be declined. Questions may vary by state.*

1. Have you been advised in the *last 12 months* by a Licensed Health Care Practitioner to have surgery, diagnostic tests or therapy which would require an inpatient hospital stay, and which has not yet been completed?
2. Are you currently bedridden, confined to a wheelchair, receiving home healthcare services, staying in a hospital or nursing home, or receiving medical assistance at an assisted living facility?
3. Have you been hospitalized 3 or more times in the *past 2 years*?
4. In the *past 2 years*, have you been diagnosed with, treated for or received medical advice from a Licensed Healthcare Practitioner for:
  - a. Diabetes requiring insulin, Kidney Failure, Kidney Dialysis, Cirrhosis of the Liver, Hepatitis C, Multiple Sclerosis?
  - b. Cancer other than Basal Cell, Leukemia, Hodgkin's Disease, Lymphoma, or Melanoma?
  - c. Congestive Heart Failure, Heart Surgery of any type, Stroke (CVA), Transient Ischemic Attack (TIA)?
  - d. Emphysema, Chronic Obstructive Pulmonary Disease or the use of oxygen to assist in breathing?
  - e. Alzheimer's Disease, Senile Dementia or Organic Brain Disease?
  - f. Having or testing positive for Human Immunodeficiency Virus (HIV) infection, Acquired Immune Deficiency Syndrome (AIDS), or AIDS Related Complex (ARC)? (WI Residents: You are not required to report results of HIV tests taken at anonymous counseling and testing sites or the results of home test kits.)

# Sales and Marketing Materials – Hospital Recovery

LifeSecure Hospital Recovery **sales and marketing materials** can be reviewed, downloaded and/or ordered through our website at [www.YourLifeSecure.com](http://www.YourLifeSecure.com). Enter your Agent Portal and go to "Resources".

- To order printed copies, click on "Sales Materials".
- To download state-specific PDFs, click on "Resources" then "PDF Library".

**Note: Availability and or/versions of materials may vary by state.**



### Consumer Brochure

A brochure providing information on the hospital recovery insurance, including a brief overview of LifeSecure's plan design.



### Education/Enrollment Presentation

Slides to help educate clients and prospective applicants about hospital recovery and LifeSecure's insurance product.

*Download only.*



### Plan-At-A-Glance

A quick reference overview of LifeSecure's hospital recovery insurance product.



### Monthly Premiums for Sample Plan Designs

Rate table listing monthly premiums for six different plan designs for ages 18-75.

*Note: this item is for Agent Use Only.*



## II. PERSONAL ACCIDENT

### Why Personal Accident?

#### Accidents happen. Have you heard?

- 1 out of 9 Americans each year seeks medical care due to injuries.<sup>1</sup>
- Over 27 million people were treated in hospital emergency departments for non-fatal injuries.<sup>1</sup>
- One-third of children under age 14 who play organized sports have experienced an injury.<sup>2</sup>
- In 2008, over 20 million people were injured in non-work related incidents at home or in their community.<sup>1</sup>

#### Don't let the financial impacts of an accident take you by surprise.

With a Personal Accident Insurance policy, you and your family members can be protected from the unexpected. How you use your benefits is up to you!

Examples include:

- Medical & recovery expenses (see list of covered items & services on page 10)

*... or, if some or all of your medical and recovery expenses are paid by another insurance plan, you may decide to use your benefits for:*

- Daily bills, mortgage or rent
- Home care assistance
- Child care
- Housekeeping help
- Transportation to/from appointments
- Yard work
- *Anything else needed during your recovery!*

<sup>1</sup> National Safety Council, Injury Facts – 2010 Edition

<sup>2</sup> Safe Kids USA, A National Survey of Parents' Knowledge, Attitudes, and Self-Reported Behaviors Concerning Sports Safety, April 2011

# Product Information – Personal Accident

## Help pay for unexpected needs following an accidental injury

LifeSecure's Personal Accident Insurance provides benefits for qualified medical and recovery expenses resulting from an accidental injury. While your client may have other insurance, benefits from this plan pay in addition to other coverage and require no coordination of benefits. All benefits are paid directly to the policyholder.

- Helps cover medical and other related expenses due to an accidental injury
- May help alleviate various out-of-pocket medical expenses
- Provides peace-of-mind

## Personal Accident Insurance benefits cover:

- ambulance transportation
- emergency room, urgent care center or physician's office visits
- hospitalization, including intensive care unit (ICU)
- diagnostic exams
- x-rays
- follow-up visits
- rehabilitative therapies
- certain durable medical equipment and prosthetic devices
- drugs administered in a hospital, urgent care center or physician's office setting

## Choosing a Plan

Designing a Personal Accident plan is simple – only two decisions to make!

### 1. Select an Annual Benefit Bank

(any amount within the range below, in \$100 increments):

- Minimum = \$1,000
- Maximum = \$15,000 for individuals  
\$25,000 for couples/families

The **Annual Benefit Bank** represents the total dollar amount available to the policyholder for covered services rendered each calendar year.

### 2. Select an Annual Deductible

Choose from \$100, \$250 or \$500

The **Annual Deductible** represents the dollar amount that an individual must incur in covered services in a calendar year before benefits are payable under the policy.

## Disappearing Deductible Feature

On January 1st of each calendar year, the Annual Deductible Amount will decrease by 20% if no benefits are payable for the preceding calendar year. If no benefits are payable for five consecutive calendar years, the Annual Deductible Amount will be eliminated beginning with the next calendar year. Once the Annual Deductible Amount reaches zero, it will not reset.

*Notes:* The policy must be in force for at least three full months before the first reduction of the deductible will occur. Prior to the deductible reaching zero, if any benefits are payable for covered services rendered during a calendar year, your Annual Deductible Amount will reset on the following January 1 to the original Annual Deductible Amount.

## Family Deductible

The deductible for family coverage is two-times (2X) the individual deductible amount and must be satisfied by at least two covered family members. Once the family deductible is satisfied, benefits would be payable for all covered family members for the remainder of the calendar year, up to your Annual Benefit Bank amount. Benefits may be paid for individual family members before the family deductible is satisfied.

*Example:* If you select a \$500 deductible, your family deductible would equal \$1,000 (2 X \$500).

*Note:* The family deductible only applies if your spouse/domestic partner and/or children are covered as dependents on your policy.

## Benefit Payout

If the policyholder or a covered family member suffers an accidental injury as the result of a covered accident and receive initial care within 72 hours, simply submit the proof of claim, based on the amount of medical or recovery expenses incurred, to receive benefits paid via check or electronic funds transfer (EFT).

### Individual Benefit Payout Example:

Donna – Broken collar bone while skiing with friends

- What Annual Benefit Bank amount did Donna select? \$10,000
- What Annual Deductible amount did she select for her Personal Accident insurance policy? \$250
- What was the total amount\* of medical expenses incurred as a result of her accident? \$8,000
- How much was the benefit payment check Donna received from LifeSecure? \$7,750
- What is her remaining Benefit Bank balance? \$2,500

Total Medical Expenses		Deductible		Benefit Payout
\$8,000	–	\$500	=	\$7,500

Annual Benefit Bank		Benefits Paid		Remaining Benefit Bank Balance
\$10,000	–	\$7,500	=	\$2,500

Donna's Annual Benefit Bank will replenish to the full amount of \$10,000 on January 1st of each year.

**Family Benefit Payout Example:**

Dave purchased a policy which includes coverage for his wife, Kim, and their two children, Michael and Mandy. In one calendar year, each member of the family suffered an accidental injury, resulting in the benefit payout scenario shown below:

Accidental Injuries	Covered Expenses		Deductible Amount Paid	=	Benefit Payout
Kim – Sprained ankle	\$1,000	-	\$500	=	\$500
Dave – Lacerated finger	\$200	-	\$200	=	\$0
Michael – Broken nose	\$4,000	-	\$300	=	\$3,700
<b>*** \$1,000 Annual Family Deductible satisfied***</b>					
Mandy – Broken leg	\$8,000	-	\$0	=	\$8,000
<b>Total Benefit Payout:</b>					<b>\$12,200</b>

Annual Benefit Bank		Benefits Paid	=	Remaining Benefit Bank Balance
\$15,000	-	\$12,200	=	\$2,800

- What Annual Benefit Bank amount does Dave share with his family? \$15,000
- What Annual Family Deductible amount does Dave share with his family for the Personal Accident Insurance policy? \$1,000
- What Annual Deductible amount does each person have for the Personal Accident Insurance policy? \$500
- What was the total amount\* of medical expenses incurred by the entire family as the result of accidental injuries? \$13,200
- How much did Dave receive in benefit payment checks from LifeSecure? \$12,200
- What is his remaining Benefit Bank balance? \$2,800

Dave’s Annual Benefit Bank will replenish to the full amount of **\$15,000** on January 1st of each year.

\* *Note:* The total amount includes portions of the medical expenses which were covered by a health insurer. Expenses may consist of services such as ambulance transportation, emergency room visit, hospitalization, follow-up visits and physical therapy.

*Notes:* The example above is for illustration purposes only. Benefit amounts, number of days and limitations and exclusions may vary by state.

## Exclusions & Limitations\*

Care or services must be provided within the United States, its territories or possessions or Canada to be considered eligible for benefits.

No benefits of this Policy are payable when the loss is caused by or contributed to:

- Any illness, loss, or condition specifically excluded from the definition of Accident; or
- Operating, learning to operate, or serving as a crew member of any aircraft; or
- Engaging in hang-gliding, hot air ballooning, bungee jumping, parachuting, scuba diving, sail gliding, or parasailing; or
- Riding in or driving any motor-driven vehicle in a race, stunt show or speed test; or
- Officiating, coaching, practicing for or participating in any semi-professional or professional competitive athletic contest for which any type of compensation or remuneration is received; or
- Any act of war whether declared or undeclared; or
- Voluntary participation in any riot or civil insurrection; or
- Engaging in an illegal activity or occupation; or
- Commission or attempt to commit an assault or felony; or
- Dental care or treatment unless caused by Accidental Injury to natural teeth; or
- Suicide or attempted suicide, while sane or insane (CO & MO: while sane); or
- Intentionally self-inflicted injury (SD: treatment or medical condition that results from an attempt at suicide or self-inflicted injury); or
- Treatment for a mental or nervous disorder or disease; or
- Being intoxicated or under the influence of alcohol, drugs or any narcotic unless administered and used in accordance with the instructions of a Physician, (AL, LA & TX: being intoxicated or under the influence of any narcotic unless administered and used in accordance with the instructions of a Physician), (SD: exclusion not applicable).

THIS IS AN ACCIDENT ONLY POLICY AND PROVIDES LIMITED BENEFITS.

\* Policy Limitations and Exclusions vary by state. See the state-specific outline of coverage in the Application & Forms Kit, located in the PDF Library of your Agent Portal.

## Application Review – Personal Accident

LifeSecure’s Personal Accident insurance is a **guaranteed issue** product and is not underwritten. Applications submitted online result in a policy approval (declines or postpones are not an outcome for this product). The premium rates for Personal Accident are not based on “rate class”, as it the case with some other insurance products. All premium rates are calculated based only on age, the Benefit Bank Amount and Deductible selected.

There is no Underwriting for Personal Accident. LifeSecure reviews:

- Age (eligible ages 18 – 64 years)
- Applicant’s signature
- Agent Appointment verification

## Sales and Marketing Materials – Personal Accident

LifeSecure Personal Accident **sales and marketing materials** can be reviewed, downloaded and/or ordered through our website at [www.YourLifeSecure.com](http://www.YourLifeSecure.com). Enter your Agent Portal and go to "Resources".

- To order printed copies, click on “Sales Materials”.
- To download state-specific PDFs, click on “Resources” then “PDF Library”.

**Note: Availability and or/versions of materials may vary by state.**



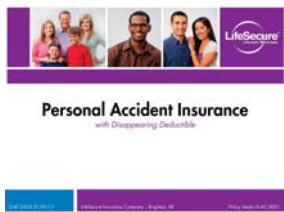
### Consumer Brochure

A brochure providing information on the personal accident insurance, including a brief overview of LifeSecure’s plan design.



### Plan-At-A-Glance

A quick reference overview of LifeSecure’s personal accident insurance product.



### Education/Enrollment Presentation

Slides to help educate clients and prospective applicants about LifeSecure’s personal accident insurance product.

*Download only.*

### Monthly Premiums for Sample Plan Designs

Rate table listing monthly premiums for four different plan designs for ages 18-64.

*Note: this item is for Agent Use Only.*



### Positioning Flyer for Families with Children

This flyer provides statistics on sports-related injuries among children as well as safety & health tips for adventurous and active families



### Positioning Flyer for Home Injuries

This flyer provides statistics on injuries resulting from household products, as well as safety & health tips to help prevent accidental injuries from occurring around the home.

### III. APPLICATION PROCESS

The LifeSecure point-of-sale application process is fast and easy. Applications can be submitted with the assistance of an agent, or by applicants using the “self-serve” online application. The self-serve method is available only to members of multi-life employer groups or associations registered as such with LifeSecure. Agents need internet access and a telephone line to complete electronic applications. Self-serve individuals only require internet access.

#### Agent Point-of-Sale Application Submission Processes

There are **two** ways to submit an application:

##### 1. ALL-ONLINE APPLICATION PROCESS (fastest processing time):

- Data enter online application within the Agent Web Portal at [www.YourLifeSecure.com](http://www.YourLifeSecure.com)
- If you have any questions during the application process, please call our Agent Support Care Line between 8am-7pm, Monday – Friday (ET) at 1.866.582.7701, email us at [AgentSupport@yourlifecure.com](mailto:AgentSupport@yourlifecure.com), or instant message our Agent Support team between 8am-5pm, Monday-Friday (ET) by clicking on the LiveChat logo in the upper right corner of your computer screen.
- Dial **1.866.582.7703** to complete the voice signature authorization, then obtain and enter the voice authorization code in the space provided (users are prompted to do this within the agent online application). This code is required to complete the “Applicant Authorization” section.  
*Note: The Voice Signature script is available as a PDF document on the Agent Web Portal.*
- Submit the online application

##### 2. PAPER + ONLINE APPLICATION PROCESS

If application is initially completed on paper, and later entered online via the Agent Web Portal, the agent must FAX all sections of the completed paper application with the applicant’s signatures to **1.866.582.7706**. **Note:** The “Notices to the Applicant” section must be left with the Applicant.

To begin the application process, enter data from the application online or contact your agent administrator for data entry, and then fax the completed application to us at **1.866.582.7706**.

#### Billing

LifeSecure offers the following payment methods:

- Monthly Electronic Funds Transfer (EFT)
- Automatic Credit Card Payment
- List Bill (Payroll Deduction) when applicable

**Important to Note:** Choosing EFT or Automatic Credit Card Payment only requires the bank information or credit card information to be entered into the application. No premium payment is required with the application when EFT or Credit Card is chosen.

## Application Processes (End-to-End)

### AGENT point-of-sale application process

- After reviewing the Outline of Coverage with your client, use the Quote Calculator to provide various quotes to your client, as appropriate.
- Access the electronic application through the Agent Web Portal at [www.YourLifeSecure.com](http://www.YourLifeSecure.com). Complete all application sections through the "Applicant Authorization" section. See "Agent Point-of-Sale Application Submission Processes" on previous page for instructions.
- Dial **1.866.582.7703** to complete the voice signature authorization, then obtain and enter the voice authorization code in the space provided (users are prompted to do this within the agent online application). This code is required to complete the "Applicant Authorization" section.  
*Note: The Voice Signature script is available as a PDF document on the Agent Web Portal.*
- Complete the remainder of the application, and submit the completed, online application.

The Hospital Recovery product is a modified guaranteed issue product. Review of responses is done online of the applicant's age, height and weight entered on the application and the responses as provided in the "Medical Information" section.

The Personal Accident product is not underwritten and is guaranteed issue.

Approved applicants will receive a Welcome Kit, by mail or email, containing a Welcome Letter, the Policy, Schedule of Benefits, copy of the submitted application, and Notice of Privacy Practices. The following documents are also included in the kit, when applicable: Notice to Applicant Regarding Replacement, the Guaranty Association form, Disabled Dependent Certification form, riders and individual state disclosure notices.

### SELF-SERVE point-of-sale application process

Review the following steps to assist your clients:

- Applicants access the electronic application through the Groups & Associations Web Portal at [www.YourLifeSecure.com](http://www.YourLifeSecure.com) using the Group Number provided by their worksite administrator.
- Applicants respond to screen prompts and, if they don't already own a different LifeSecure insurance product, they create a User ID and Password. This ensures their application is retained and available for submission.
- After the User ID and Password are created, the applicant completes all application sections and then submits the completed application.
- All self-serve applications are reviewed within one business day from the submission date.

Approved applicants will receive a Welcome Kit, by mail or email, containing the Policy, Schedule of Benefits, and a copy of the submitted application. The following documents are also included in kit, when applicable: Notice to Applicant Regarding Replacement, the Guaranty Association form, Disabled Dependent Certification form, riders and individual state disclosure notices.

It is important to note that both the agent assisted and self-serve online applications have built-in pop-up messages designed to assist the user during the application process.



## IV. ELIGIBILITY REQUIREMENTS FOR GROUPS/ASSOCIATIONS

Prior to accepting applications from a worksite group or association, agents must pre-qualify each group and set up a Group access web portal for each qualified group. Group Pre-Qualification and Portal Setup forms are available within your Agent Portal at [www.YourLifeSecure.com](http://www.YourLifeSecure.com).

### **The Group Access Web Portal**

A custom group access web portal will be set up for each group. The portal allows employees, as well as spouses and family members, to review plan information, obtain personal quotes and submit an on-line application.

## V. POLICY ADMINISTRATION INFORMATION

### Definitions

**Effective Date** – The date a policyholder becomes covered under the Policy (as shown by the Policy Effective Date on the Schedule of Benefits), subject to LifeSecure’s receipt of a full modal premium payment.

*NOTE: Effective dates cannot be 29, 30 or 31.*

For non-list bill policies, if a policy is issued on the 29th, 30th, or 31st, the effective date will be the 01st of the next month. (i.e. – Policy Issued = 03/29, Effective Date = 04/01)

List bill policies will always be effective on the first of a month regardless of issue date.

**Forwarding Dating** – This is when an Applicant and/or an Agent requests the Effective Date of non-list bill policies be set to a date into the future beyond which the Effective Date would otherwise be established. This is rarely done and only upon request and in most instances requires LifeSecure home office approval.

**Signed Date** – The date the application is signed. This date may differ from the Submitted/Received Date when an applicant signs a paper application and the agent does not submit the application into the LifeSecure online Agent Portal on the same date the applicant signed the application.

**Submitted/Received Date** – The date the application is fully submitted and assigned a LifeSecure policy number via a LifeSecure online portal. This date will be the same as the Signed Date for applications submitted to LifeSecure using the Voice Signature or via electronic-signature (when an applicant submits an application online, without the assistance of an agent) through the LifeSecure online Groups & Association portal. This date may be later than the date the application was signed by the applicant for paper applications only.

**Approved/Issue Date** – The date Underwriting has determined the applicant will be offered the insurance policy.

**Rating Age** – The age on which the policy premium amount is determined. The rating age default is the age as of the date the application is received by LifeSecure.

**List Bill application/policy** – Any application/policy where the premium payment method is via payroll deduction or employer paid to LifeSecure.

**Non-List Bill application/policy** – Any application/policy where the premium payment method is one of the following: Direct Bill, EFT/ACH or Credit Card.

**EFT/ACH application/policy** – This is when the policyholder submits a bank account number to LifeSecure which allows the premium payment to be drafted from the bank account. A specific draft date may be selected during the insurance application process. If a specific draft date is not selected, the draft date will be 10 days after the application submitted date. The EFT/ACH draft date is independent of the Effective Date. Bank accounts will only draft on the bill date chosen if premium is due or will become due within the month. No premium payment is required with the application when the EFT/ACH bill method is selected. See example below:

Policy Issued Date:	04/29
Policy Effective Date:	05/01 (see Effective Date definition above)
<u>Selected</u> Bill Date:	05
1st Draft Date:	05/05

When payment is received from the 05/05 draft, the payment covers the period of 05/01 through 05/31 and the paid-to date becomes 06/01.

**Credit Card application/policy** – This is when the policyholder submits a credit card number to LifeSecure which allows the premium payment to be charged to the credit card. The credit card bill date is the effective date of the policy. Once the application is approved, credit cards will only be charged on the bill date if premium is due or will become due within the month. No premium payment is required with the application when the Credit Card bill method is selected. See example below:

Policy Issued Date:	04/18
Policy Effective Date:	04/18
Bill Date:	18
1st Charge Date:	04/18

When payment is received from the 04/18 charge, the payment covers the period of 04/18 through 05/17 and the paid-to date becomes 05/18.

## Effective Date information

### List Bill (Payroll Deduction) Effective Dates:

- Employer groups may establish a common Effective date on any first of the month that is not more than five months after the beginning of their initial enrollment period with a LifeSecure product, or as established during the employer group setup.

*Example: If an enrollment period is from Jan. 1 through March 31, an Effective date may be designated as late as June 1 (but no later). This common Effective date will apply to those who are eligible for list-bill inclusion.*

- Standard Effective date rules apply as follows if a common Effective date is not chosen or established for a list-bill group:
  - If the approval date is during the first 15 days of a month, the Effective date will be the first (1<sup>st</sup>) of the up and coming month.
  - If the approval date is after the first 15 days of a month, the Effective date will be the first (1<sup>st</sup>) of the second month following the approval month.

*Examples: If the LifeSecure Approval Date is 2/15, the Effective Date is 3/1.  
If the LifeSecure Approval Date is 2/16, the Effective Date is 4/1.*

**NOTE:** *No matter which effective date rule the employer chooses from above, the effective date is the date the policy is approved for other family members who will not be on the list-bill and are not submitting an application via their own group number.*

**NON-List Bill Effective Dates:**

The effective date for EFT/ACH and Credit Card billing methods is:

- The date the policy is approved by LifeSecure, except when a policy is approved on the 29th, 30th, or 31<sup>st</sup>, then the effective date will be the 1st of the next month. (i.e. – Policy Issued = 03/29, Effective Date = 04/01)

**NOTE:** *Coverage is not in force until one full modal payment is received, regardless of the billing method.*