

**American Family Life Assurance Company of Columbus**  
(herein referred to as Aflac)  
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Toll-Free 1.800.99.AFLAC (1.800.992.3522)

The policy described in this Outline of Coverage provides supplemental coverage  
and will be issued only to supplement insurance already in force.

**LIMITED BENEFIT, HOSPITAL CONFINEMENT INDEMNITY INSURANCE**  
Outline of Coverage for Policy Form Series B40100

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

**THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.**

If you are eligible for Medicare, review the "Guide to Health Insurance for People with Medicare" furnished by Aflac.

**(1) Read Your Policy Carefully:** This Outline of Coverage provides a very brief description of some of the important features of the 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 Aflac. It is, therefore, important that you READ YOUR POLICY CAREFULLY.

**(2) Hospital Confinement Indemnity Coverage:** The policy provides coverage in the form of a fixed benefit during periods of hospitalization or care resulting from Sickness or Injury, subject to any limitations set forth in your policy. It does not provide any benefits other than the fixed indemnity for Hospital Confinement and any additional benefits described below.

**(3) Benefits:** Aflac will pay the following benefits, as applicable, for a covered Sickness or Injury that occurs while coverage is in force, subject to the Pre-existing Condition Limitations, Limitations and Exclusions, and all other policy provisions, unless indicated otherwise. The term "Hospital Confinement" does not include emergency rooms. Treatment or confinement in a U.S. government Hospital does not require a charge for benefits to be payable.

**A. HOSPITAL CONFINEMENT BENEFIT:** Aflac will pay \$[500 - 5,000] when a Covered Person requires Hospital Confinement for 23 or more hours for a covered Sickness or Injury and a room charge is incurred. This benefit is payable once per Calendar Year, per Covered Person. No lifetime maximum.

**The Hospital Confinement Benefit and the Rehabilitation Facility Benefit are not payable on the same day. The highest eligible benefit will be paid.**

**B. REHABILITATION FACILITY BENEFIT:** Aflac will pay \$100 per day when a Covered Person is confined in a Hospital and is transferred to a room in a Rehabilitation Facility for treatment of a covered Sickness or Injury and a charge is incurred each day for such treatment. This benefit is limited to 15 days per Period of Hospital Confinement and is limited to a Calendar Year maximum of 30 days, per Covered Person. No lifetime maximum.

**The Rehabilitation Facility Benefit and the Hospital Confinement Benefit are not payable on the same day. The highest eligible benefit will be paid.**

**C. HOSPITAL EMERGENCY ROOM BENEFIT:** Aflac will pay \$100 when a Covered Person receives treatment for a covered Sickness or Injury in a Hospital Emergency Room, including triage, and a charge is incurred for such treatment. This benefit is payable twice per Calendar Year, per Covered Person. No lifetime maximum.

**The Hospital Emergency Room Benefit and the Hospital Short-Stay Benefit are not payable on the same day.**

**D. HOSPITAL SHORT-STAY BENEFIT:** Aflac will pay \$100 when a Covered Person receives treatment for a covered Sickness or Injury in a Hospital, including an observation room, or an Ambulatory Surgical Center, for a period of less than 23 hours and a charge is incurred for such treatment. This benefit is not payable for treatment received in a Hospital Emergency Room or Urgent Care Center. This benefit is payable twice per Calendar Year, per policy. No lifetime maximum.

**The Hospital Short-Stay Benefit and the Hospital Emergency Room Benefit are not payable on the same day.**

**E. WAIVER OF PREMIUM BENEFIT:** Upon written notice, Aflac will waive from month to month any premium(s) falling due during a continued Period of Hospital Confinement for the Named Insured only. This benefit will begin after the Period of Hospital Confinement for the Named Insured has exceeded 30 consecutive days. When such continued Period of Hospital Confinement has ended, premium payments must be resumed. Once premium payments are resumed, any new Period of Hospital Confinement must again satisfy the 30-day continued confinement for premiums to be waived.

If you die and your Spouse becomes the new Named Insured, premiums will start again at the appropriate rate and will be due on the first premium due date after the change. The new Named Insured will then be eligible for this benefit if the need arises.

**F. CONTINUATION OF COVERAGE BENEFIT:** Aflac will waive all monthly premiums due for the policy and riders, if any, for up to two months if you meet all of the following conditions:

1. Your policy has been in force for at least six months;
2. We have received premiums for at least six consecutive months;
3. Your premiums have been paid through payroll deduction and you leave your employer for any reason;
4. You or your employer notifies us in writing within 30 days of the date your premium payments cease because of your leaving employment; and
5. You re-establish premium payments through:
  - (a) Your new employer's payroll deduction process or
  - (b) Direct payment to Aflac.

You will again become eligible to receive this benefit after:

1. You re-establish your premium payments through payroll deduction for a period of at least six months, and
2. We receive premiums for at least six consecutive months.

**“Payroll deduction” means your premium is remitted to Aflac for you by your employer through a payroll deduction process or any other method agreed to by Aflac and the employer.**

**(4) Optional Benefits:**

**EXTENDED BENEFITS RIDER: (SERIES B40050)**

**Applied for**  **Yes**  **No**

Aflac will pay the following benefits, as applicable, for a covered Sickness or Injury that occurs while coverage is in force, subject to the Pre-existing Condition Limitations, Limitations and Exclusions, and all other policy provisions, unless indicated otherwise. The term “Hospital Confinement” does not include emergency rooms. Treatment or confinement in a U.S. government Hospital does not require a charge for benefits to be payable.

**A. PHYSICIAN VISIT BENEFIT:** Aflac will pay \$25 when a Covered Person incurs a charge for a visit (including a Telemedicine Visit) to a Physician, Psychologist, or Urgent Care Center. Services must be under the supervision of a Physician or Psychologist. If the Type of Coverage for the policy is Individual, the benefit is limited to three visits per Calendar Year, per policy. If the Type of Coverage is Named Insured/Spouse Only, One-Parent Family, or Two-Parent Family, the benefit is limited to a total of six visits per Calendar Year, per policy. No lifetime maximum.

The Sickness or Injury of a Covered Person is not required for the Physician Visit Benefit to be payable. This benefit is not subject to the Pre-existing Condition Limitations or Limitations and Exclusions section of the policy. No lifetime maximum.

**B. LABORATORY TEST AND X-RAY BENEFIT:** Aflac will pay \$35 when a Covered Person requires, and incurs a charge for, a laboratory test or an X-ray. The laboratory test or X-ray must be performed in a Hospital, Medical Diagnostic Imaging Center, Physician's office, an Urgent Care Center, or an Ambulatory Surgical Center. This benefit is limited to two payments per Covered Person, per Calendar Year. **The Laboratory Test and X-Ray Benefit is**

**not payable for exams listed in the Medical Diagnostic and Imaging Exams Benefit.** No lifetime maximum.

The Sickness or Injury of a Covered Person is not required for the Laboratory Test and X-ray Benefit to be payable. This benefit is not subject to the Pre-existing Condition Limitations or Limitations and Exclusions section of the policy. No lifetime maximum.

- C. MEDICAL DIAGNOSTIC AND IMAGING EXAMS BENEFIT:** Aflac will pay \$150 when a Covered Person requires, and incurs a charge for, one of the following exams: computerized tomography (CT or CAT scan), magnetic resonance imaging (MRI), electroencephalogram (EEG), Sleep Study, thallium stress test, myelogram, angiogram, or arteriogram. These exams must be performed in a Hospital, Medical Diagnostic Imaging Center, Physician's office, Sleep Center, an Urgent Care Center, or an Ambulatory Surgical Center. This benefit is limited to two payments per Calendar Year, per Covered Person. No lifetime maximum.
- D. AMBULANCE BENEFIT:** Aflac will pay \$200 if, due to a covered Sickness or Injury, a Covered Person requires, and incurs a charge for, ground ambulance transportation to or from a Hospital. If a Covered Person requires, and incurs a charge for, air ambulance transportation to or from a Hospital due to a covered Sickness or Injury, Aflac will pay \$2,000. A licensed professional ambulance company must provide the ambulance service. The Ambulance Benefit is limited to two trips per Calendar Year, per Covered Person. No lifetime maximum.

**HOSPITAL STAY AND SURGICAL CARE RIDER: (SERIES B40051) Applied for  Yes  No**

Aflac will pay the following benefits, as applicable, for a covered Sickness or Injury that occurs while coverage is in force, subject to the Pre-existing Condition Limitations, Limitations and Exclusions, and all other policy provisions, unless indicated otherwise. The term "Hospital Confinement" does not include emergency rooms. Treatment or confinement in a U.S. government Hospital does not require a charge for benefits to be payable.

- A. INITIAL ASSISTANCE BENEFIT:** Aflac will pay \$100 when a Covered Person requires a Hospital Admission. This benefit is payable once per Calendar Year, per rider. No lifetime maximum. This benefit is not subject to the Pre-existing Condition Limitations or

the Limitations and Exclusions section of the policy. **Payment of this benefit is based solely on a Covered Person's Hospital Admission, as defined in the rider. Any additional benefits that may be due as a result of a Hospital Admission remain subject to the terms of the policy, including any limitations and/or exclusions.**

- B. SURGERY BENEFIT:** Aflac will pay according to the benefits in the Schedule of Operations in the rider when, due to a covered Sickness or Injury, a Covered Person has a surgical procedure, including a vaginal or cesarean delivery, performed in a Hospital or an Ambulatory Surgical Center and a charge is incurred for such surgical procedure. If any surgical procedure for the treatment of the covered Sickness or Injury is performed other than those listed, Aflac will pay an amount comparable to the amount shown in the Schedule of Operations for the surgical procedure most nearly similar in severity and gravity. **The Surgery Benefit is only payable one time per 24-hour period, even though more than one surgical procedure may be performed. The highest eligible benefit will be paid. Exams covered under the Invasive Diagnostic Exams Benefit are not payable under this benefit. The Surgery Benefit and the Invasive Diagnostic Exams Benefit are not payable on the same day. The highest eligible benefit will be paid. No lifetime maximum.**

**IMPORTANT: The Surgery Benefit is not payable for surgical procedures performed in a Physician's or dentist's office, a clinic, or other such location.**

- C. INVASIVE DIAGNOSTIC EXAMS BENEFIT:** Aflac will pay \$100 when a Covered Person requires one of the following exams, with or without biopsy, and a charge is incurred: arthroscopy, bronchoscopy, colonoscopy, cystoscopy, endoscopy, gastroscopy, laparoscopy, laryngoscopy, sigmoidoscopy, or esophagoscopy. These exams must be performed in a Hospital or an Ambulatory Surgical Center. This benefit is limited to one exam per Covered Person, per 24-hour period. No lifetime maximum.

**The Invasive Diagnostic Exams Benefit and the Surgery Benefit are not payable on the same day. The highest eligible benefit will be paid.**

**D. HOSPITAL INTENSIVE CARE UNIT CONFINEMENT**

**BENEFIT:** Aflac will pay \$500 per day when a Covered Person incurs a room charge for a Period of Hospital Intensive Care Unit Confinement for a covered Sickness or Injury. This benefit is payable in addition to the Hospital Confinement Benefit and the Daily Hospital Confinement Benefit. The maximum benefit period for any one Period of Hospital Intensive Care Unit Confinement is 30 days. No lifetime maximum.

**E. DAILY HOSPITAL CONFINEMENT BENEFIT:** Aflac will pay \$100 per day for the Period of Hospital Confinement when a Covered Person requires Hospital Confinement for a covered Sickness or Injury and a room charge is incurred. This benefit is payable in addition to the Hospital Confinement Benefit. The maximum benefit period for any one Period of Hospital Confinement is 365 days. No lifetime maximum.

**F. SECOND SURGICAL OPINION BENEFIT:** Aflac will pay \$50 when a charge is incurred for a second surgical opinion by a Physician concerning surgery for a covered Sickness or Injury. This benefit is payable once per Calendar Year, per Covered Person. No lifetime maximum.

U.S. economic or trade sanctions, such coverage shall be null and void.

**E.** Aflac will not pay benefits whenever fraud is committed in making a claim under the coverage. If you have received benefits that were not contractually due under the coverage, then Aflac reserves the right to offset any benefits payable under the coverage up to the amount of benefits you received that were not contractually due.

**F. The policy does not cover losses caused by or resulting from:**

1. Pregnancy or childbirth if the pregnancy is in existence on the Effective Date of the policy (complications of such pregnancy are covered to the same extent as a Sickness);
2. Receiving routine nursing or routine well-baby care for a newborn child;
3. Using any drug, narcotic, hallucinogen, or chemical substance (unless administered by a Physician and taken according to the Physician's instructions), or voluntarily taking any type of poison or inhaling any type of gas or fumes;
4. Participating in any illegal activity that is defined as a felony ("felony" is as defined by the law of the jurisdiction in which the activity takes place); or being detained in any detention facility or penal institution;
5. Being intoxicated or under the influence of alcohol, drugs, or any narcotic, unless administered on the advice of a Physician and taken according to the Physician's instructions (the term "intoxicated" refers to that condition as defined by the law of the jurisdiction in which the cause of the loss occurred);
6. Intentionally self-inflicting a bodily injury, or committing or attempting suicide, while sane or insane;
7. Having dental treatment, except as a result of Injury;
8. Having cosmetic surgery that is not Medically Necessary;
9. Having elective surgery that is not Medically Necessary within the first 12 months of the Effective Date of coverage;

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**(5) Exceptions, Reductions, and Limitations of the Policy (policy is not a daily hospital expense plan):**

**A.** Aflac will not pay benefits for care or treatment that is: (1) caused by a Pre-existing Condition, unless it begins more than 12 months after the Effective Date of coverage (or begins 6 months from the Effective Date for insureds who were issued the policy at age 65 or over), or (2) received prior to the Effective Date of coverage.

**B.** Aflac will not pay benefits for any illness, disease, infection, disorder, or condition that is medically evaluated, diagnosed, or treated by a Physician before coverage has been in force 30 days, unless the loss begins more than 12 months after the Effective Date of coverage.

**C.** Benefits for a covered Sickness for all persons added to the policy (excluding newborns) are subject to a 30-day waiting period.

**D.** Aflac will not pay benefits whenever coverage provided by the policy is in violation of any U.S. economic or trade sanctions. If the coverage violates

10. Being exposed to war or any act of war, declared or undeclared, or actively serving in any of the armed forces, or units auxiliary thereto, including the National Guard or Reserve;
11. Actively participating in a riot, insurrection, or terrorist activity;
12. Donating an organ within the first 12 months of the Effective Date of coverage; or
13. Having mental or emotional disorders without demonstrable organic disease, including but not limited to the following: bipolar affective disorder (manic-depressive syndrome), delusional (paranoid) disorders, psychotic disorders, somatoform disorders (psychosomatic illness), eating disorders, schizophrenia, anxiety disorders, bereavement, situational depression, depression, stress, or post-partum depression. The policy will pay, however, for covered losses resulting from Alzheimer's disease, or similar forms of senility or senile dementia, first manifested while coverage is in force.

A "Pre-existing Condition" is an illness, disease, infection, disorder, condition, or injury for which, within the 12-month period before the Effective Date of coverage, prescription medication was taken or medical testing, advice, consultation, or treatment was recommended or received, or for which symptoms existed that would ordinarily cause a prudent person to seek diagnosis, care, or treatment. Care or treatment caused by a Pre-existing Condition, including deliveries for children if the pregnancy is in existence on the Effective Date of coverage, or reinjuries to a Pre-existing Condition will not be covered unless it begins more than 12 months after

the Effective Date of coverage (or begins 6 months from the Effective Date for insureds who were issued the policy at age 65 or over).

- (6) **Renewability:** The policy is guaranteed-renewable for your lifetime by the timely payment of premiums at the rate in effect at the beginning of each term, except that we may discontinue or terminate the policy if you have performed an act or practice that constitutes fraud, or have made an intentional misrepresentation of material fact relating in any way to the policy, including claims for benefits under the policy. Aflac may change the established premium rate, but only if the rate is changed for all policies of the same form number and premium classification in the state where the policy was issued that are then in force.
- (7) **Grace Period:** A grace period of 31 days will be granted for the payment of each premium falling due after the first premium. During the grace period, the policy shall continue in force.
- (8) **Premiums:** Premiums are subject to change.

	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>	<u>Monthly</u>
Policy B40100TX				
Rider B40050				
Rider B40051				

**THE PERSON TO WHOM THE POLICY IS ISSUED IS PERMITTED TO RETURN THE POLICY WITHIN 30 DAYS OF ITS DELIVERY TO THAT PERSON AND TO HAVE THE PREMIUM PAID REFUNDED.**

**RETAIN FOR YOUR RECORDS.  
THIS OUTLINE OF COVERAGE IS ONLY A BRIEF SUMMARY OF THE COVERAGE PROVIDED.  
THE POLICY ITSELF SHOULD BE CONSULTED TO DETERMINE  
GOVERNING CONTRACTUAL PROVISIONS.**