

Product Specifications — Critical Advantage

Critical Advantage Series is Kanawha Insurance Company Policy Form 8011

Product Profile

Voluntary Critical Illness insurance policy sold under a group policy form. Critical Advantage represents a broad umbrella of products which can be segmented to include coverage for heart/stroke, cancer, and other critical illnesses.

General Information

- Issue Ages: 18-69 (may vary by state)
- Rate Bands: 18-29; 30-39; 40-49; 50-59; 60-64; 65-69
- Pre-existing Conditions: 12 months after Date of Certificate
- Effective Date: Selected by Employer
- Waiting Period: 30 days for cancer
- Underwriting: Guarantee Issue (GI), Contingent Guarantee Issue (CGI), Simplified Issue (SI)

Base Plans

- Group health insurance policy providing lump sum benefits for critical illnesses
- Packaged into three versions
 - Vascular
 - Cancer
 - Other Critical Illnesses
- Marketed three different ways
 - Critical Illness Advantage Plus [Other Illnesses at 50% or 100% option]
 - Critical Illness Advantage [Other Illnesses at 50% or 100% option]
 - Cancer Advantage (Cancer ONLY)

Critical Illness Components

Vascular

- Heart attack
- Heart transplant as a result of heart failure
- Stroke
- Coronary Artery Bypass surgery as the result of coronary artery disease (25% benefit)

Cancer

- First diagnosis of internal cancer or malignant melanoma
- Carcinoma in situ (25% benefit)

Other Critical Illnesses

- Major organ transplant, other than heart
- End stage renal failure
- Loss of sight, speech or hearing
- Coma
- Severe burns
- Permanent paralysis due to an accident
- Occupational HIV

Base Plan Requirements

- Employee minimum benefit of \$5,000 and maximum benefit of \$50,000
- Coverage may be available to Spouse and Child(ren)
 - Spouse coverage benefit is equal to exactly half of the Employee's coverage to a maximum of \$25,000, \$2,500 minimum benefit
 - Child(ren) minimum benefit of \$2,500 and maximum benefit of \$5,000
- Premium payment method is payroll deduction

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Plan Benefits

Embedded base benefits

- Available to eligible Employees, Spouses and Children
- Waiver of Premium
- Completely portable

Optional Benefits (Selected by Employer)

Benefit Recurrence

- Available on Critical Illness Advantage and Critical Illness Advantage Plus, but is NOT available on Cancer Advantage (cancer only plan)
- Provides additional benefit for same condition if insured has been treatment-free for at least 12 months
- Maximum one payout per insured per certificate
- When the Recurrence benefit per covered insured is exhausted, the Recurrence benefit ends, is removed from certificate, and premium is reduced
- Available at time of original certificate issue only

Health Screening Benefit

- Available in \$50 benefit units, up to 3 units, and at time of original certificate issue only
- Indemnity based and payable once per calendar year per insured
- Employer selects this optional benefit and the benefit amount; Employee may decline the benefit if he/she chooses
- Coverage is same for all insureds on the certificate
- Waiting period of 90 days from effective date
- 18 different screenings qualify for coverage

Automatic Benefit Increase (ABI)

- Available for sale through age 60 for Employee only.
- On certificate anniversaries years 1-5, employee coverage increases \$2,000 annually. Total benefit cannot exceed \$100,000
- ABI terminates if certificate no longer PRD via Employer; any remaining elections are cancelled
- Available on base plan only; no optional benefits or dependents. Future benefit options terminate if ABI is forfeited

Loss of Work

- Provides Waiver of Premium to employees due to authorized strike, lockout, layoff or job elimination.
- Available for sale through age 55 for Employee only and at time of original certificate issue only
- Elimination period is 30 days for benefit qualification
- Maximum benefit period is 6 months per occurrence; lifetime benefit maximum of 12 months

Takeover Benefit

- We will waive the pre-ex provision and any waiting periods for each month prior coverage was in benefit, for up to 12 months
- Requires proof of prior coverage prior to quote
- Commission reduction on all certificates issued subject to Takeover
- Available at time of original certificate issue only
- Requires copy of previous Master Policy, schedule of benefits, and bill or list of covered insureds prior to quoting

Portability and Continuation of Coverage

- Participants may continue coverage by paying premiums directly to Kanawha Insurance Company on a direct billing method then available providing the following parameters are met.
 - Employee is less than age 70 on date of request
 - Certificate has been continuously covered by the policy for at least 6 months
 - Master Policy issued to Employer is still active
- All ported certificates will terminate when Employer cancels the Master Policy
- Any dependents on ported certificate will terminate from certificate when the spouse attains age 70 or the child attains age 25
- All ported certificates will be subject to any rate increases on the Employer's Master Policy
- No conversion benefit available

Underwriting Guidelines

Eligibility requirements

- Employee must be “actively at work” according to policy definition
- Spouse must meet definition of a spouse as determined by the laws of the Employee’s state of residence.
- Please see the Underwriting Manual, 4413, for complete underwriting details

Critical Advantage Issue Parameters

Participant	Policy Form	Enrollment Form	Rate Structure	Tobacco Rating	Issue Ages	Policy Amount
Employee	8011	1649	Unisex; age last	Tobacco distinct	18-69	Min: \$5,000, Max: \$50,000
Spouse	8011	1649	Unisex; age last	Tobacco distinct	18-69	Min: \$2,500, Max: \$25,000
Child(ren)	8011	1649	Unisex; age last	Uni-tobacco	0-24	Min: \$2,500, Max: \$5,000

Product Restrictions

- Total amount of Critical Illness coverage in force with all carriers cannot exceed \$100,000. This limit excludes the Accelerated Living Benefit Rider for Individual or Group Aegis
- Total amount of Cancer coverage in force with all carriers cannot exceed \$100,000. This limit excludes the Accelerated Living Benefit Rider for Individual or Group Aegis
- Amounts in excess of the GI or CGI limit will be underwritten on a SI basis, up to the SI maximum listed above. When participation is not met, the entire case will be underwritten on a SI basis
- Cancer Advantage stand alone cancer coverage will be available on a SI basis only. The Recurrence benefit is not available for Cancer Advantage
- Takeover is only available for Cancer Advantage if replacing group coverage and we obtain the Employer’s Agreement to cover the group plan when our plan is approved. If the prior coverage is Individual cancer, then Takeover will not be available or permitted

Termination Date

The coverage termination date is the earliest of the following:

- At the end of the Grace Period for non-payment of premium; or
- Age 70 if not actively employed; or
- Date of termination of employment if after age 70

Outline of Coverage

Some states require that an Outline of Coverage be provided to enrollees at the time of enrollment. Please ask Sales Support for state specific requirements.

Individual Eligibility

Full-time benefit-eligible Employees working at least 20 hours per week.

Employer Eligibility

Available only through payroll deduction. Minimum size is 10 participants.

Application

1649, latest edition date, may be state specific.

Policy Form

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