



Simplified Medical  
Plans designed  
to help you  
control your  
healthcare costs



Economy Plan  
Select Plan  
Select Plus Plan

Central Reserve Life's

# Simplicity<sup>PLUS</sup>



Valuable Group Insurance for Association Members and Their Families



## Our Plans are Sold in Connection with a National Association

By joining the Association, you'll have access to savings on a broad range of healthcare and life-style products and services—many of which you'll use every day. This health insurance is sold in connection with Association membership. The health insurance plans are described in this brochure.

Central Reserve Life (CRL) specializes in valuable, affordable health insurance for individuals and their families. With over 35 years experience, we listen carefully to your concerns, and we provide you with solid, reliable insurance coverage.

# Simplicity<sup>PLUS</sup> Plan

Select the Plan That's Right for You

Simply a matter of choice—

CRL's Simplicity Plus offers three levels of coverage:

**Economy**, **Select** and **Select Plus**. You can then customize your coverage within the selected plan by choosing a deductible and coinsurance amount that meet your needs. Optional benefits are also available to customize your plan. No matter which plan you choose, you'll be able to stretch your healthcare dollars even further when you receive services from the doctors, hospitals and other providers in our extensive Preferred Provider networks (PPO).



# Important Features to help control your healthcare costs

## Aggregate Deductible and Coinsurance

Your **Deductible** is the amount you pay for covered expenses during a calendar year before your health insurance begins paying benefits. **Coinsurance** is the expense you share with the insurance company after you've met your deductible. With all Simplicity Plus Plans, the family maximum deductible is equal to three times the individual deductible, a plus for larger families.

## Copays

This is the amount that you pay for a specific procedure, physician office visit, medical service or any other covered item. The balance of these expenses, other than physician office visits, are then subject to your deductible and coinsurance.

## PPO Network

A Preferred Provider Organization network is comprised of physicians, hospitals and other healthcare providers who have agreed to work with Central Reserve Life to provide valuable health care at pre-negotiated rates. Using PPO providers is one of the most effective ways to minimize out-of-pocket costs, receive appropriate medical care and eliminate any balance billings.

## Initial 12-month Rate

To help control your costs, we will maintain your initial rate for medical benefits during the first 12 months of coverage. Exceptions that may affect your rate during the first 12 months are: 1) moving to a different location; 2) changing your benefit levels; 3) changing your optional coverage; 4) administrative charge adjustments; and 5) changing your network.

## Prescription Drug Card Program (Available with Select and Select Plus Plans)

Our innovative 3-tier drug benefit design, Generic, Formulary and Non-Formulary, reduces your overall cost of prescription drugs by managing the rush of brand name medications. Additional savings are realized when you and your doctor choose medications on the Formulary or generics.

## What is a Formulary?

The formulary is an expansive list of prescription medications that have met strict clinical criteria for safety and quality. This list is updated annually based on a drug's safety and efficacy, therapeutic advantages, impact on patient outcomes and cost effectiveness. Our prescription drug vendor, Express Scripts, works in conjunction with medical directors, physician providers and pharmacists to update the list.

Identifying and supporting the use of formularies helps manage prescription costs without affecting the quality of care. Members receive the greatest value from their prescription drug benefit when they receive generic or brand name medications that are on the formulary.

## Pharmacy Advantage<sup>1</sup>

The Pharmacy Advantage Preferred Pricing prescription drug program offers discounts on preferred generic and brand name drugs at more than 54,000 participating pharmacies, that may result in significant savings. This plan includes a mail order program and provides additional discounts on most popular drugs.

Your Express Scripts prescription drug card, when used at a participating pharmacy, can provide you with overall savings on your prescription purchases. While savings vary by drug and location purchased, those using the card can average nearly a 15% savings off standard retail prices throughout the year.

## LabOne

### (For insureds with a \$1,000 deductible or lower)

This is an added cost containment program.

LabOne is a fully accredited and certified laboratory offering significant savings over other labs. These savings are passed directly to members. LabOne does not replace existing lab benefits. You must ask your physician to send your lab work to LabOne.

<sup>1</sup>Insured responsible for full cost of medication at discounted rate.

Healthcare  
for the New  
Millennium

### Extensive PPO Networks

- Promote valuable medical care
- Allow our customers freedom of choice of providers

### Enhanced Electronic Systems to Expedite Claims Payments

- Speed up claims service
- Achieve medical cost savings

# Simplicity<sup>PLUS</sup> for Individuals & Families

	Economy Plan	Select Plan	Select Plus Plan
<b>Deductible<sup>1</sup></b> <b>Out-of-Network Amounts:</b> Double the In-Network Amounts Shown <b>Family Maximum:</b> 3X the Individual Maximums Shown	<ul style="list-style-type: none"> <li>\$1,000</li> <li>\$1,500</li> <li>\$2,500</li> <li>\$5,000</li> </ul>	<ul style="list-style-type: none"> <li>\$500</li> <li>\$750</li> <li>\$1,000</li> <li>\$1,500</li> <li>\$2,500</li> <li>\$5,000</li> </ul>	<ul style="list-style-type: none"> <li>\$500</li> <li>\$750</li> <li>\$1,000</li> <li>\$1,500</li> <li>\$2,500</li> <li>\$5,000</li> </ul>
<b>Coinsurance</b> *90% Coinsurance available only with First Health, SuperMed Plus, PPOM, Arizona Foundation and Horizon Health Networks	<b>In-Network Amounts:</b> <ul style="list-style-type: none"> <li>90%*</li> <li>80%</li> <li>60%</li> </ul> <b>Out-of-Network Amounts:</b> <ul style="list-style-type: none"> <li>60%</li> <li>60%</li> <li>40%</li> </ul>	<b>In-Network Amounts:</b> <ul style="list-style-type: none"> <li>90%*</li> <li>80%</li> <li>60%</li> </ul> <b>Out-of-Network Amounts:</b> <ul style="list-style-type: none"> <li>60%</li> <li>60%</li> <li>40%</li> </ul>	<b>In-Network Amounts:</b> <ul style="list-style-type: none"> <li>90%*</li> <li>80%</li> <li>60%</li> </ul> <b>Out-of-Network Amounts:</b> <ul style="list-style-type: none"> <li>60%</li> <li>60%</li> <li>40%</li> </ul>
<b>Coinsurance Amount</b> <b>Family Maximum:</b> 3X the Individual Maximums Shown	<b>In-Network Amounts:</b> <ul style="list-style-type: none"> <li>\$5,000</li> <li>\$7,500</li> <li>\$10,000</li> </ul> <b>Out-of-Network Amounts:</b> <ul style="list-style-type: none"> <li>\$10,000</li> <li>\$15,000</li> <li>\$20,000</li> </ul>	<b>In-Network Amounts:</b> <ul style="list-style-type: none"> <li>\$5,000</li> <li>\$7,500</li> <li>\$10,000</li> </ul> <b>Out-of-Network Amounts:</b> <ul style="list-style-type: none"> <li>\$10,000</li> <li>\$15,000</li> <li>\$20,000</li> </ul>	<b>In-Network Amounts:</b> <ul style="list-style-type: none"> <li>\$5,000</li> <li>\$7,500</li> <li>\$10,000</li> </ul> <b>Out-of-Network Amounts:</b> <ul style="list-style-type: none"> <li>\$10,000</li> <li>\$15,000</li> <li>\$20,000</li> </ul>
<b>Office Visit Copay</b>	Services Paid Subject to Deductible and Coinsurance	\$30 Copay (Other in-office services are subject to deductible and coinsurance)	\$20 Copay (Other in-office services are subject to deductible and coinsurance)
<b>In-Network Copays</b> Maximum of Two Copays of Each Type Per Person/Year Balance of Bill is Subject to Deductible and Coinsurance <b>Out-of-Network Amounts:</b> Double the In-Network Amounts <b>Family Maximum:</b> Three per year	<b>Outpatient Surgical Facility:</b> <ul style="list-style-type: none"> <li>\$500</li> </ul> <b>Hospitalization:</b> <ul style="list-style-type: none"> <li>\$1,000</li> </ul>	<b>Outpatient Surgical Facility:</b> <ul style="list-style-type: none"> <li>\$500</li> </ul> <b>Hospitalization:</b> <ul style="list-style-type: none"> <li>\$1,000</li> </ul>	<b>Outpatient Surgical Facility:</b> <ul style="list-style-type: none"> <li>N/A</li> </ul> <b>Hospitalization:</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Preventive Medical</b> Covered as Mandated by State. See Page 6 for a complete definition.	<b>Available Optional Benefit:</b> Covered subject to deductible & coinsurance with a maximum of \$250 per year	<b>Available Optional Benefit:</b> Covered subject to deductible & coinsurance with a maximum of \$250 per year	\$100 per person/year— not subject to deductible and coinsurance; charges in excess are not covered expenses
<b>Prescriptions</b>	Pharmacy Advantage See page 3 for details.	<b>Select from:</b> <ul style="list-style-type: none"> <li>Pharmacy Advantage See page 3 for details.</li> </ul> OR <ul style="list-style-type: none"> <li>\$100 Deductible<sup>2</sup> Plus Copay Drug Card Program See page 5 for details.</li> </ul>	<b>Select from:</b> <ul style="list-style-type: none"> <li>Pharmacy Advantage See page 3 for details.</li> </ul> OR <ul style="list-style-type: none"> <li>\$50 Deductible<sup>2</sup> Plus Copay Drug Card Program See page 5 for details.</li> </ul>
<b>Lifetime Maximum</b>	<ul style="list-style-type: none"> <li>\$2,000,000</li> </ul>	<ul style="list-style-type: none"> <li>\$2,000,000</li> </ul>	<ul style="list-style-type: none"> <li>\$5,000,000</li> </ul>
<b>Centers of Excellence Transplants Lifetime Maximum</b>	<ul style="list-style-type: none"> <li>\$500,000</li> </ul>	<ul style="list-style-type: none"> <li>\$500,000</li> </ul>	<ul style="list-style-type: none"> <li>\$1,000,000</li> </ul>
<b>Life Insurance</b>	<ul style="list-style-type: none"> <li>\$15,000 Term Life, Accidental Death and Dismemberment, Common Carrier Death Benefit</li> <li>\$10,000 Orphan Benefit</li> </ul>		

<sup>1</sup>An additional \$75 deductible will apply to all covered charges for each emergency room visit due to a sickness if the insured is not immediately admitted as an inpatient.

<sup>2</sup>Deductible does NOT apply to Generic Prescription Drugs; Family deductible maximum = 3X individual amount.

# Simplicity<sup>PLUS</sup> for Individuals & Families

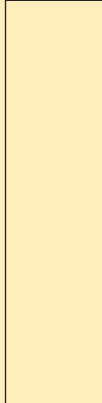
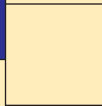
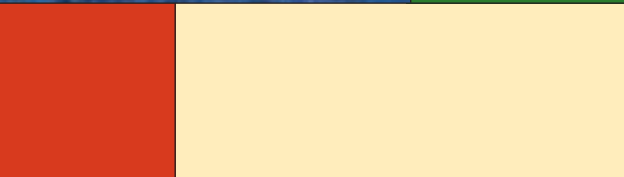
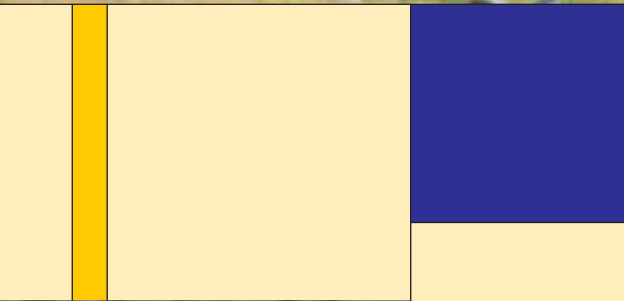
	Select Plan	Select Plus Plan
<b>Prescriptions</b>	<p><b>\$100 Deductible</b>—Deductible Does <b>Not</b> Apply to Generic Prescription Drugs</p> <p><b>Retail (30-day supply):</b></p> <p><b>Generic:</b> \$15 copay/0% coinsurance</p> <p><b>Brand Formulary:</b> \$25 copay/20% coinsurance</p> <p><b>Brand Non-Formulary:</b> \$35 copay/30% coinsurance</p> <p><b>Mental Nervous Drugs:</b> 50% coinsurance/\$550 per year maximum</p> <p><b>Mail Order (60-day supply):</b></p> <p>Copays are double the retail amounts.</p>	<p><b>\$50 Deductible</b>—Deductible Does <b>Not</b> Apply to Generic Prescription Drugs</p> <p><b>Retail (30-day supply):</b></p> <p><b>Generic:</b> \$15 copay/0% coinsurance</p> <p><b>Brand Formulary:</b> \$25 copay/20% coinsurance</p> <p><b>Brand Non-Formulary:</b> \$35 copay/30% coinsurance</p> <p><b>Mental Nervous Drugs:</b> 50% coinsurance/\$550 per year maximum</p> <p><b>Mail Order (60-day supply):</b></p> <p>Copays are double the retail amounts.</p>

## Optional Benefits for Economy, Select and Select Plus Plans

<p><b>In-Network Copay Upgrade</b></p> <p>Select Plus Plans Do Not Have Copays. Maximum of Two Copays of Each Type Per Person/Year. Balance of Bill is Subject to Deductible and Coinsurance</p> <p><b>Out-of-Network Amounts:</b> Double the In-Network Amounts</p> <p><b>Family Maximum:</b> Three per year</p>	<p>Additional Copay Options</p> <p>Outpatient Surgical Facility:   • \$250       • \$100       • \$0</p> <p>Hospitalization:                   • \$500       • \$250       • \$0</p>
<p><b>Accident Expense</b></p>	<p>Choice of \$500 or \$1,000 per person per accident</p>
<p><b>Increased Lifetime Maximum</b></p> <p>Included on Select Plus Plans</p>	<p>Lifetime Maximum of \$5,000,000 &amp; COE \$1,000,000 per person</p>
<p><b>Critical Payment</b></p> <p><b>Why do you need this extra protection?</b></p> <p>Each year, millions of Americans suffer heart attacks or strokes, or develop some form of cancer. And survival rates are rising. The Critical Payment Benefit helps you manage your finances through a health crisis and recovery.</p> <p>This benefit is paid regardless of any other insurance you may carry. The amount you receive depends on your age at the time of issue, and the specific illness or surgery. Most, but not all, illnesses and surgeries pay the entire Maximum Benefit. See schedule of benefits. If a partial benefit is paid, the remainder is available for another type of covered critical illness or surgery. Coverage ends after the Maximum Benefit is paid.</p>	<p>Critical Payment Benefit provides the benefit of a lump sum payment benefit for surviving a covered critical illness or surgery. The amount you can receive is based on the age of the member:</p> <p><b>Benefits for Applicant Only based on age:</b></p> <p>• 0-40: \$25,000   • 41-50: \$20,000   • 51-60: \$15,000   • 61-64: \$10,000</p> <p><b>Covered Critical Illness and Surgeries   Amount of Maximum Benefit Payable</b></p> <p>Life-Threatening Cancer . . . . .100%</p> <p>Heart Attack (Survived 30 days or longer) . . . . .100%</p> <p>Stroke (Survived 30 days or longer) . . . . .100%</p> <p>End Stage Renal Failure . . . . .100%</p> <p>Major Organ Transplant (Heart, lung, liver or pancreas) . . . . .100%</p> <p>Multiple Sclerosis (After 180 days) . . . . .100%</p> <p>Permanent Paralysis of Two Limbs (of 180 days or longer) . . . . .100%</p> <p>Loss of Two or More Limbs . . . . .100%</p> <p>Alzheimer's Disease . . . . .50%</p> <p>Coronary Artery Bypass Surgery . . . . .25%</p> <p>Angioplasty . . . . .10%</p>
<p><b>Family Protection</b></p> <p>We understand the importance of protecting your family at all times. That is why we are offering additional term life for the primary insured member, which raises the total life insurance protection from \$15,000 up to \$50,000 (see chart to left). These additional dollars will be beneficial to your family in their time of need.</p>	<p>Additional Term Life for Applicant Only—Amount Varies by Age at Issue:</p> <p>• 0-49: \$35,000</p> <p>• 50-59: \$25,000</p> <p>• 60-64: \$15,000</p>

# Additional Benefits

## Covered by Central Reserve Life's Simplicity Plus Plans



### Inpatient Hospital and Facility Expenses

- **Hospital Services**  
Pre-admission testing, semi-private room, intensive care, anesthesia, operating room, drugs, medical supplies and diagnostic, nursing and therapy services.

### Surgical Provider Services

- Surgeon's services
- Assistant surgeon's services
- Anesthesia

### Outpatient Hospital/ Ambulatory Care

- Facility services
- Emergency Room services

### Outpatient Therapy Services

- Radiation, chemotherapy, renal dialysis services

### Radiology/Pathology Services

- X-rays and other radiology services
- Lab and pathology services
- Diagnostic services

### Other Benefits

- Blood, plasma and derivatives
- Cataract contact lens, immediately following surgery
- Casts, splints, trusses, braces and crutches
- Dialysis equipment
- Oxygen
- Ambulance services

### Optional Preventive Medical

**Economy and Select plans** offer an optional Preventive Medical Benefit. Covered charges are subject to the deductible and coinsurance, with a maximum benefit payable of \$250 per benefit year.

- Covered procedures for child wellness birth to age one (1) include: immunizations, laboratory tests, pediatric physical exam and developmental assessment.
- Covered procedures for ages one (1) and up include: fecal/occult blood tests, preventive immunizations, routine physical exams, Hepatitis B test, Pap smears, breast exams, colon/prostate screening and mammograms (age thirty-five [35] and older—one [1] per year).

The **Select Plus plan** includes a Preventive Medical Benefit. The total amount paid for each insured person for services received in any one (1) benefit year will not be more than the lesser of the maximum payment or the actual fee charged. Covered charges under this benefit are not subject to the deductible or coinsurance.

- Covered procedures (\$100 Maximum Payment) include: physical exam and associated tests, routine physical exam, Pap smears, breast exams, pediatric exams and immunizations.

Note: see Certificate Booklet for complete benefit details.

# More About Your Valuable Central Reserve Life Health Coverage

## Personal Healthcare Management Services



### Dedicated Service Representatives for Fast Answers

When you call Central Reserve Life, you'll be speaking with a Customer Service Representative who understands your needs and who can access your file promptly to provide you with the answers you need.

### 24-7 Medical and Benefit Support

Call **1-877-575-4207 ANY TIME, ANY DAY** for instant access to your medical plan.

- Assistance in finding the physician, specialty or medical provider you need
- Locate preferred providers near you
- Receive advice on maximizing your benefits
- Initiate inpatient pre-certification
- Receive general medical information. Should you need information for a specific medical condition, a medical professional will provide useful information.

### Enhanced PPO Referral Service

Whether you are home or travelling, one convenient number (**1-877-575-4207**) connects you with customer service representatives who work closely with you to locate and direct you to a PPO provider.

Using a PPO provider is your best way to keep more money in your pocket:

- Lower co-payment for you
- Protection from charges above reasonable and customary amounts
- Gives you the comfort of knowing that your PPO benefits travel with you while you are vacationing or away from home
- When you obtain medical services from a Travel PPO provider, covered charges will be paid in accordance with in-network benefits as outlined in your Central Reserve Life PPO plan

### Non-Network Negotiation Service

If there is no provider within our network who performs the service you require, we will help locate a non-network provider and attempt to negotiate the cost with this provider to help save you money. Our purpose is to eliminate or reduce any balance billing you will receive from these providers. We will be your advocate with these medical providers!

### Case Management - Special Care for Special Cases

For catastrophic illness and injuries and certain other medical conditions, a registered nurse Case Manager will work with you and your doctor to coordinate your treatment plan, to facilitate valuable care and maximize your benefits.

### "Building Blocks" High Risk Pregnancy Program

Our Registered Nurse Maternity Specialists help identify pregnancy risks, answer questions and provide valuable information and support. If you are a high risk mother, we offer a personal case manager to work with you and your doctor. This service is available, even if you do not have maternity coverage with us.

### Cancer Case Management Program

Our Registered Nurse Oncology Case Managers answer questions, provide educational information and discuss treatment options with you. In addition, the Case Manager maintains contact with you and your physicians to assist in coordinating your care and maximizing your medical benefits.

### Disease Management Early Identification Program

We know that if you manage certain conditions when they are first identified, you may lead a more productive life. Our Registered Nurse Case Managers provide support to you and your doctor to help manage these conditions and lower your future medical costs.

# More About Your Valuable Central Reserve Life Health Coverage

## Benefits for Specialized Situations\*

### Mental Illness and Alcoholism

(inpatient and outpatient)

If hospitalized, covered charges are paid at 50% up to a maximum benefit of \$2,000 per calendar year for inpatient expenses. Doctor visits are paid at 50% up to \$10 a visit, to a maximum of \$550 for a calendar year. Treatment for drug abuse is not covered. Prescription drugs are covered 50%, up to a calendar year maximum of \$550.

### Treatment for Spinal Subluxation

Plans pay up to \$15 a day for manipulation of spinal subluxation and associated treatment or services with a \$300 individual or a \$600 family maximum benefit per calendar year. In addition, x-ray charges are payable up to a \$75 individual or a \$150 family maximum benefit per calendar year.

### Sterilization

Benefits are provided up to a lifetime maximum benefit of \$350 for sterilization.

### Allergy Testing

Benefits are provided up to a maximum benefit of \$500 per calendar year for the member and \$1,000 for the member and dependents combined, for allergy testing and allergy injections, including, but not limited to, injectable antigens and extracts.

### Growth Disorder

Benefits are provided up to a lifetime maximum benefit of \$25,000 for the treatment of growth disorder or abnormally short stature, including, but not limited to, growth hormone deficiency therapy (GHDT).

### Surgery of the Foot

Surgery of the foot is paid according to the Foot Surgery Schedule.

### Occupational, Speech and Physical Therapy

Plan pays up to \$50 of allowable expenses per visit, with a maximum of 25 visits each calendar year, for occupational, speech and physical therapy, and for related diagnostic testing. These services must be performed by licensed occupational, speech and physical therapists under the supervision of a doctor.

### Hospice Benefit

(inpatient and outpatient)

We help pay for hospice care and services that are provided by a hospice care program or other hospice care provider approved by us. If inpatient hospice care is received, we pay up to \$200 a day for room and board up to a lifetime maximum of \$10,000. A \$100 a day benefit for outpatient hospice care is allowed up to a lifetime maximum of \$3,500.

### Cosmetic Surgery/Treatment

Expenses for cosmetic surgery/treatment are payable if required to restore a part of the body which has been altered as a result of accidental bodily injury, surgery or disease that occurred or was first diagnosed while insured with us and for which benefits are payable.

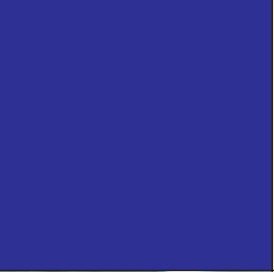
### Accidental Injury to Teeth

We will pay for repair of injury to sound natural teeth (including their replacement), as a result of an accidental bodily injury that occurs while the member is insured. Treatment must be given within ninety (90) days of the date of the accident.



\*Benefits vary by state.  
All benefits are subject to deductible and/or coinsurance.

# Additional Information on Central Reserve Life Simplicity Plus Plans



Health insurance plans offered through the Association are not available in all states. Submission materials may vary by state.

## Applications are Subject to Underwriting and CRL Approval

Upon receipt of the enrollment materials at CRL, the Member will receive a verification telephone call to make sure the application is completed correctly. The enrollment materials will then be reviewed by CRL's underwriters. The underwriter will determine eligibility for the plan and its benefits. No insurance for the Member or dependents will become effective unless and until written notice of approval specifying the effective date of coverage is received from CRL's Home Office. Should CRL reject the application, its only obligation will be the return of premium money.

## Hospital Preadmission Certification\*

Your doctor or hospital must contact us, at the phone number on your insurance card, at least 72 hours before a scheduled admission to the hospital or within 48 hours following an emergency admission. There is no need to precertify outpatient services.

Precertification will assure that you maximize your medical benefits and have the opportunity to take advantage of our Case Management services, where appropriate.

### Failure to Obtain Certification:

**A precertification penalty of \$500 or 20% of covered charges, up to a \$1,000 maximum, whichever is greater, for each treatment will apply where precertification is required but not obtained. The penalty will apply before the deductible and coinsurance and will not be applied to the out-of-pocket maximum.**

\* Obtaining precertification does not assure that benefits will be paid for the hospitalization. CRL will make the final determination whether benefits are payable based on the terms of the Policy, following submission of the claim.

## Preexisting Conditions

Unless varied by state law, a preexisting condition is, within a two (2) year period immediately prior to the effective date of insurance, any condition that: (a) produced signs or symptoms; or (b) would cause an ordinarily prudent person to seek medical advice, consultation, diagnosis, care or treatment, or (c) resulted in medical advice or consultation given or treatment recommended (or rendered) in any manner by a medical care provider; or (d) caused medication to be taken for treatment of a condition, sign or symptom.

Preexisting condition also includes any related or resultant complication of a preexisting condition.

After two (2) consecutive years of coverage under the plan, benefits are payable for preexisting conditions unless specifically excluded from coverage by either plan provisions or an exclusion rider. Conditions fully disclosed on the initial application for insurance, during the telephone verification process or when evidence of insurability is required will be covered unless otherwise excluded from coverage by name or specific description. Any covered preexisting condition is subject to all other terms of this plan.

**CRL reserves the right to rescind, cancel or terminate coverage for any individual who is found to have not fully disclosed any answer or information during verification or on an insurance application.**

## Please Note:

- This brochure is not an insurance certificate booklet. Not all policy provisions, exclusions and limitations are listed. The certificate booklet, which is issued upon approval of coverage, will contain a summary of the coverage with a complete list of covered charges, exclusions and limitations. To review a sample copy of the certificate booklet, just ask your agent.
- **Your state laws may mandate that the coverage described in this brochure be changed. Please refer to the insert accompanying this brochure for a description of these changes, if applicable.**
- This plan is not being sold as an employment benefit plan, and the Member's employer is not responsible, either directly or indirectly, for paying the premium or benefits; therefore, any state small employer laws do not apply.
- No agent has the authority to change any benefits, to bind coverage with CRL, or to promise a specific effective date.

# Additional Information

## Exclusions

No benefits will be paid for charges:

- For transportation, except local transportation to or from a hospital by ambulance.
- For fertility or infertility treatment.
- For replacement of artificial limbs and eyes.
- For storage of blood or blood plasma which has been replaced.
- For donation of any body organ by an Insured Person.
- For services performed by a person who ordinarily resides in the Insured Person's home or is a Close Relative of the Insured Person or by the Insured Person's Employer or partner.
- For any Cosmetic Surgery/Treatment, unless required to restore a part of the body which has been altered as a result of certain conditions that occurred while the Insured Person was insured by the Policy.
- For Custodial Care.
- Applied to a Deductible or Coinsurance amount.
- For services or Treatment not prescribed by a Doctor or for services or Treatment not shown as covered.
- For any Illness that is subject to and paid or payable under any state or federal workers' compensation law or other similar statute or occupational disease law.
- For expenses incurred after the insurance terminates, except as may be provided under an Extended Benefits provision.
- For Treatment or services Experimental or Investigational in nature.
- For services in a nursing or convalescent home or Extended Care Facility.
- For eye refractions, eye glasses, or contact lens, including fittings and examinations, or eye Surgery, when the primary purpose is to correct myopia (nearsightedness), hyperopia (farsightedness) or astigmatism (blurring), including, but not limited to radial keratotomy.
- For Treatment, services or supplies furnished by a department or agency of the United States Government.
- For services and supplies eligible for payment by a governmental or charitable program, except as required by law.
- For hearing aids, including fittings and examinations.
- Which are not Necessary to the care or Treatment of an Illness.
- Which would not have been made if no insurance existed.
- For recreational or educational therapy or vocational rehabilitation.
- Except as allowed under Covered Charges Subject To Limitations, for speech or occupational therapy and related diagnostic testing.
- For which the Insured Person is not legally obliged to pay.
- For Treatment or services which are not generally accepted medical practices in the United States for a given Illness.
- For Treatment of obesity, morbid obesity or for weight reduction purposes.
- For Illness that results from participation in any assault, strike, civil disorder or riot.
- For the Treatment of sexual dysfunction or inadequacies.
- For routine physical or premarital examination.
- For preexisting conditions (refer to page 9).
- For a private room in excess of the average semi-private Room and Board rate.
- In excess of Reasonable and Customary charges.
- For services or supplies prohibited by law.
- For sex changes.
- For reversal of sterilization.
- For Treatment of controlled or prohibited substance abuse, including any conditions caused by, or related in any manner to, such abuse.
- Resulting from any suicide, attempted suicide or intentionally self-inflicted Injury or Sickness while sane or insane.
- For examination, Treatment or Surgery of the teeth, gums or direct supporting structure except for repair of Injury to sound natural teeth within ninety (90) days of the date of the accident.
- For an Illness caused by any act of war, whether or not declared.
- For surrogate pregnancy.
- For Surgery of the jaw or for any Treatment of temporomandibular joint (TMJ) disorder. Treatment of jaw fractures and removal of tumors of the jaw will not be subject to this exclusion.
- For breast reconstruction, unless due to a Medically Necessary mastectomy or to produce a symmetrical appearance of the other breast related to a mastectomy.
- For surgical repair of the eyelids, including, but not limited to, blepharoplasty or "eyebrow lifts".
- For the Treatment of complications with a surgical or medical Treatment that is not a covered surgical or medical Treatment.
- Services and supplies that are covered under an extension of group health benefits provision by a previous employer-related health plan.
- For Illness that results either directly or indirectly from the Insured Person's participation in a hazardous activity.
- For Illness resulting either directly or on directly from the Insured Person's Intoxication or being under the influence of alcohol, drugs, controlled substances, or any other substance capable of mental or physical impairment, unless prescribed on the advice of a Doctor.
- For Illness that results either directly or indirectly from the Insured Person's committing or attempting to commit or participation in a felony.
- For pregnancy, except Covered Complications of Pregnancy.
- For Outpatient prescription drugs under the medical plan.

# Limitations, Exceptions and Reductions on Optional Benefit for Critical Payment

## Optional Critical Payment Benefit

- 90-day waiting period—No benefits will be paid during this time.
- When an Insured Person attains age 70, the applicable Maximum Benefit shown in the Schedule of Benefits is reduced to 50% of the amount which would otherwise be payable. Benefits are paid based on the Maximum Benefit in effect on the Date of Diagnosis.
- Only Specified Critical Illnesses and Specified Surgeries as defined in the certificate or policy are covered.
- No benefits are payable for a Preexisting Condition which occurs during the first 24 consecutive months of insurance. See page 9 for a definition of Preexisting Conditions.
- Benefits for one Insured Person cannot exceed the applicable Maximum Benefit.
- No benefits are payable if a claim results from any of the following: suicide or attempted suicide, while sane or insane; war or act of war, whether declared or not; participating in or contracting with the armed forces; misuse of alcohol or the use of or taking of any narcotic, barbiturate or any other drug unless taken or used as prescribed by a Doctor; an Insured Person intentionally causing a self-inflicted injury or participating in or attempting to participate in an illegal activity.

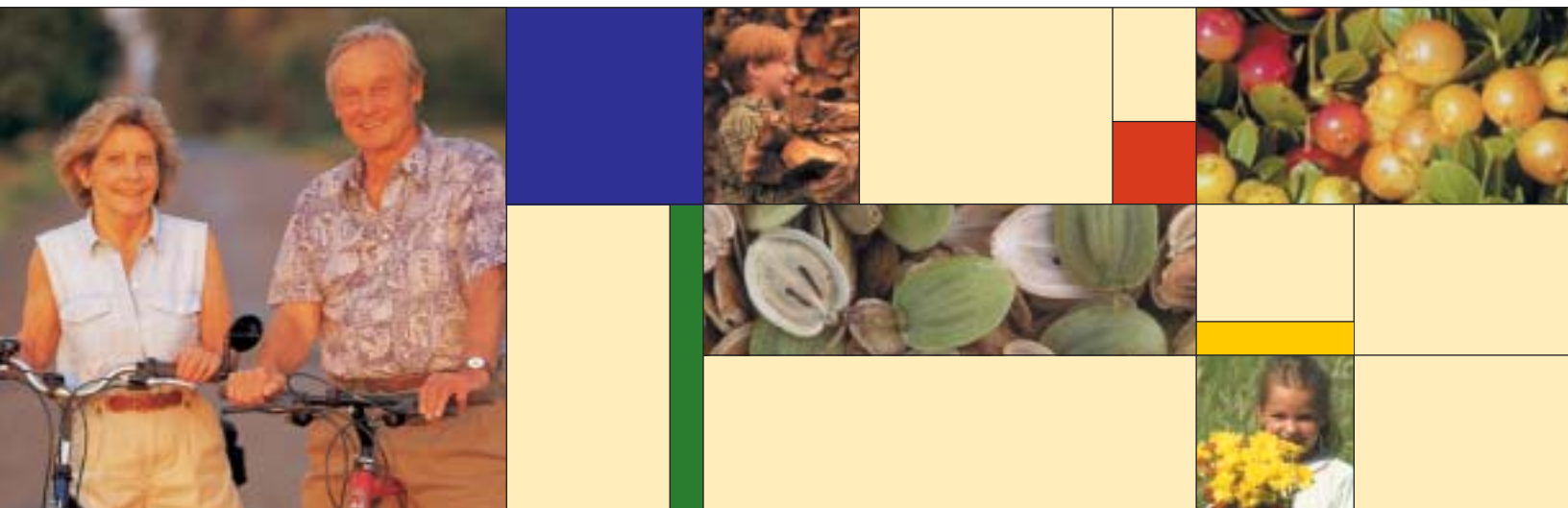
## Health Insurance Portability and Accountability Act (HIPAA)

The Health Insurance Portability and Accountability Act (HIPAA) and related state laws require insurance carriers to offer coverage to Eligible Individuals on a guaranteed-issue basis and without a preexisting condition exclusion. Such coverage is not required in states that have enacted alternative mechanisms. Where required by state law, CRL will offer coverage to Eligible Individuals. Refer to your brochure insert for the type of coverage available to Eligible Individuals in your area.

In general, Eligible Individuals are individuals who satisfy the following requirements:

- Have been insured under Creditable Coverage for at least 18 months (with no more than a 63-day gap in coverage), the most recent being under an employer-sponsored, governmental or church plan;
- Are not eligible for coverage under an employer-sponsored plan, Medicare or Medicaid;
- Do not have other health insurance coverage;
- Whose most recent coverage was not terminated for nonpayment or fraud;
- Who are not eligible for COBRA or state continuation.

Creditable Coverage means: employer-sponsored coverage; health insurance coverage; Medicare; Medicaid; CHAMPUS; tribal organization programs; public health plans; Peace Corp plans.



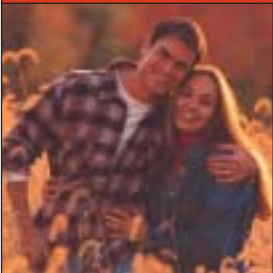


## Our Commitment

At Central Reserve Life, we are committed to providing valuable service and health insurance products at affordable prices. Our mission is to fully serve the needs of all those associated with our company.

Central Reserve Life and the Association are unaffiliated entities. A portion of your Association dues is paid to Central Reserve Life for certain administrative and other services it provides to the Association. Central Reserve Life does not receive any other compensation from the Association.

To apply for a Simplicity Plus health insurance plan, simply complete the included application. To receive your free premium rate quote, contact your Central Reserve Life agent.



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