

# Compass Critical Illness Insurance

A limited benefit policy

**Columbus City Schools**

October, 2017

Issued and underwritten by ReliaStar Life Insurance Company, a member of the Voya™ family of companies

Voya Employee Benefits is a division of ReliaStar Life Insurance Company.

Compass Critical Illness Policy Form RL-CI3 POL-12.; Compass Critical Illness Certificate Form# RL-CI3-CERT-12 (may vary by state)

Spouse Critical Illness Rider Form RL-CI3-SPR-12; Children's Critical Illness Rider Form RL-CI3-CHR-12;; Recurrence Rider Form RL-CI3-REC-12

Restoration of Benefits Rider Form # RL-CI3-RES-12; Wellness Benefit Rider Form # RL-CI3-WELL-12 (availability and form number may vary by state)

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# Why do we offer Critical Illness Insurance?

- Compliments core benefits
- About every 29 seconds, an American will suffer a coronary event\*
- 795,000 people in the US will have a stroke this year, an average of one every 53 seconds\*
- No one likes to think about getting cancer, but it will affect 1 in 2 men, and 1 in 3 women\*\*



\* Heart disease and stroke statistics -2012 update: a report from the American Heart Assoc.

\*\* Cancer Facts & Figures, American Cancer Society, 2012

# What is Critical Illness Insurance?

- Critical Illness Insurance pays a lump-sum benefit if the covered insured is diagnosed with a covered illness or condition on or after the coverage effective date
- Critical Illness Insurance is a limited benefit policy
- This is not health insurance and does not satisfy the requirement of minimum essential coverage under the Affordable Care Act
- Features include:
  - **Guaranteed Issue:** No medical questions or tests are required for coverage
  - **Flexible:** Benefits are payable directly to the certificate holder and can be used for any purpose they choose
  - **Payroll Deductions:** Premiums are paid through convenient payroll deductions
  - **Portable:** Ongoing coverage available if employee loses or changes jobs

# How can Critical Illness Insurance Help?

On top of medical bills, there are still everyday expenses to pay for, which can be challenging during recuperation or treatment after being diagnosed with a Critical Illness.

- Medical expenses, such as deductibles and copays
- Home healthcare costs
- Lost income due to time away from work
- Travel Expenses
- Dependent Care
- Everyday expenses like utilities and groceries



# Covered Conditions

## Multiple Payment Plan – benefit payment once for each covered condition

### Critical Illness Module

- Heart Attack\*\*
- Stroke
- End Stage Renal (Kidney) Failure
- Coronary Artery Bypass\* (25%)
- Coma
- Major Organ Failure
- Permanent Paralysis

and

### Cancer Module

- Cancer
- Carcinoma in Situ\* (25%)
- Skin Cancer (10%)

\* Does not reduce payment for other covered illnesses or conditions

\*\* Cardiac Arrest is not a heart attack

# Meet Patrick



Patrick is 39 and though he's become a little inactive at his desk job, he's always thought he was in decent health. Six months ago, he had a heart attack.

The prognosis is good, but his recuperation could have been more difficult if it weren't for the money from his CI policy.

Purchased \$10,000 of Coverage	Out-of-Pocket Costs
Out of Pocket Medical Expenses (not covered by Health Plan)	\$5,000
1-2 Months of Living Expenses	\$1,250
Food/Utilities	\$750
Car Payment	\$400
Car Insurance	\$750
Miscellaneous Living Expenses	\$250
<b>Total</b>	<b>\$7,725</b>
<b>Total Benefit Paid Under the Critical Illness Policy</b>	<b>\$10,000</b>

The amounts shown above are for illustrative purposes only. Actual costs of treatment may vary. Benefit amount assumes \$10,000 of base coverage.

The employer may offer different amounts or options. See the product brochure or certificate for a complete list of covered conditions, options, exclusions, and limitations.

# Who is eligible for Critical Illness Insurance?

## Employee Eligibility:

- Working a minimum of 20 hours a week
- Actively at work at the time of enrollment\*

## Spouse and Children Eligibility:

- Spouse: Under age 70
- Child(ren): Birth to age 26
- Can cover only if employee is covered
- Children's Rider covers all eligible children



\* Effective date of coverage may be delayed if the employee isn't actively at work on the coverage effective date.

# Critical Illness Insurance Coverage



- Coverage Options:
  - Employee Coverage Only
  - Employee with Spouse Critical Illness Rider
  - Employee with Children’s Critical Illness Rider
  - Employee with Spouse and Children’s Critical Illness Riders (Family Coverage)
- 30-day Benefit Waiting Period
- No Pre-Existing Condition Limitation
- Rates based on tobacco use (look back 24 months) and age as of the effective date of the certificate

\* May vary by state



# Employee-Paid Coverage Amount Options

## All Eligible Employees Voluntary Coverage Amounts (Employee Paid)

### Employee Coverage Amount

Guaranteed Issue Limit: \$30,000

- \$5,000 to \$30,000
- Increments of \$5,000

### Spouse Coverage Amount

Guaranteed Issue Limit: \$15,000

- \$5,000 to \$15,000
- Increments of \$5,000

### Child Coverage Amount

Guaranteed Issue Limit: \$10,000

- \$1,000,
- \$2,500,
- \$5,000, or
- \$10,000

# Critical Illness Insurance Riders

- Optional Riders
  - Spouse Critical Illness Rider
  - Children’s Critical Illness Rider
- Riders Automatically Included in Plan
  - Wellness Benefit Rider
  - Recurrence Rider

# Spouse Critical Illness Rider

- Employees may elect coverage for their spouse who is under age 70
- Guaranteed issue
- Coverage is available only if employee coverage is elected
- Spouse coverage amount is not tied to the Employee's coverage amount
- If the employee coverage is ported, the spouse rider may also port
- Spouse coverage may continue in the event of divorce or death of the employee



Please refer to the policy, certificate and any riders for complete provisions, limitations and exclusions

# Children's Critical Illness Rider



- All eligible dependent children, birth to age 26 are covered with one rider and one premium
- Coverage is available only if employee coverage is elected
- Guaranteed Issue
- Child coverage amount is not tied to the Employee's coverage amount
- If the employee coverage is ported, the child(ren)'s rider may also port

Please refer to the policy, certificate and any riders for complete provisions, limitations and exclusions

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# Wellness Rider

- Provides annual benefit payment of \$100 when the covered person completes a health screening test
- Child wellness benefit is 50% of the employee benefit, to a maximum of \$200 for all Children in one calendar year.
- One wellness benefit is payable per person per year
- Covered screening tests include a wide range of tests aimed at early detection



**Examples of health screening tests include but are not limited to:**

Pap Test, Mammography, Stress Test, Serum cholesterol test for HDL/LDL, Colonoscopy, Routine Dental and Vision Exams, Well Child/Baby Exams

Please refer to the policy, certificate and any riders for complete provisions, limitations and exclusions

# Recurrence Benefit

## How can the Recurrence Benefit help?

- Allows insured to receive a benefit for the same condition a second time
- Just like the first benefit, the second benefit received can be used however they would like



**Note:** Does not apply to the Cancer Module

# Recurrence Benefit: Additional Notes

- The subsequent specified critical illness must be diagnosed following a period of 6 consecutive months free of any previously diagnosed condition and without diagnosis of any additional critical illness; **and**
- Coverage under this policy must be in force on the date the subsequent diagnosis is made

Please refer to the policy, certificate and any riders for complete provisions, limitations and exclusions

# Meet Mary



## \$20,000 Critical Illness Insurance Purchased

Initial Heart Attack	Paid \$20,000
Second Heart Attack (1 ½ years later)	Paid \$20,000
Total Benefit	<b>\$40,000</b>

Two years ago Mary had a heart attack. At that time, she received a benefit from her Critical Illness Insurance coverage through her employer. While Mary did make some small changes in her lifestyle, she suffered another heart attack a year-and-a-half after the first one.

Fortunately, Mary's Critical Illness Insurance included the Recurrence Benefit, meaning she was able to receive another Maximum Critical Illness Benefit for her condition.



# Reduction in Coverage

- Benefits reduce by 50% for the employee and spouse (if applicable) on the policy anniversary following the employee's 70<sup>th</sup> birthday; however, premiums do not reduce as a result of this benefit change

# Exclusions

Benefits are not payable for any Critical Illness caused in whole or directly by any of the following:

- Participation or attempt to participate in a felony or illegal activity.
- Suicide, attempted suicide or any intentionally self-inflicted injury, while sane or insane.
- War or any act of war, whether declared or undeclared (excluding acts of terrorism).
- Loss sustained while on active duty as a member of the armed forces of any nation.

However, We will refund, upon written notice of such service, any premium which has been accepted for any period not covered as a result of this exclusion.

- Alcoholism, drug abuse or misuse of alcohol or taking drugs, other than under the direction of a Doctor

This presentation is a brief summary of the Compass Critical Illness Policy. Product availability, forms numbers and provisions may vary by state.

Please refer to the policy, certificate and any riders for complete provisions, limitations and exclusions.