



SERFF Tracking Number: BLAH-125693589 State: Arkansas  
 Filing Company: Berkley Life and Health Insurance Company State Tracking Number: 39297  
 f.k.a. Investors Guaranty Life Insurance  
 Company  
 Company Tracking Number: AH51021  
 TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other  
 Product Name: Employer Stop Loss  
 Project Name/Number: Employer Stop Loss/AH51021

specific stop loss, aggregate stop loss, or both. Please note that this program does not provide medical benefits to the Policyholder's employees. Premiums are paid by, and benefits are payable to, the Policyholder and not the individual employees. As excess/stop loss coverage is not "health insurance coverage" as defined under the federal Health Insurance Portability and Accountability Act (HIPAA) it is not subject to the requirements in the HIPAA law. Marketing for this product will be done through licensed agents and brokers.

Variable data is bracketed and may vary from case to case. Amounts may vary or provisions may be modified to fit a specific Policyholder's request. Variable data will never exclude or limit provisions required by your state. The enclosed Explanation of Variables provides more detailed information about the variable text.

This product was filed and approved under our sister company, StarNet Insurance Company, and is substantially similar. This new company's forms have also been concurrently filed in our state of domicile state, Iowa.

If you should have any questions or concerns regarding this submission, please do not hesitate to contact us. We thank you in advance for your prompt review of this filing.

## Company and Contact

### Filing Contact Information

Susan Bradbury, Director, Compliance sbradbury@berkleyah.com  
 3655 North Point Parkway (609) 584-4644 [Phone]  
 Alpharetta, GA 30005 (866) 790-2179[FAX]

### Filing Company Information

Berkley Life and Health Insurance Company CoCode: 64890 State of Domicile: Iowa  
 f.k.a. Investors Guaranty Life Insurance  
 Company  
 11201 Douglas Avenue Group Code: 98 Company Type: Accident and  
 Health  
 Urbandale, IA 50322 Group Name: Berkley Companies State ID Number:  
 (609) 584-6990 ext. [Phone] FEIN Number: 91-6034263  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$50.00  
Retaliatory? No  
Fee Explanation: Employer Stop Loss filing fee  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Berkley Life and Health Insurance Company f.k.a. Investors Guaranty Life Insurance Company	\$50.00	06/13/2008	20841233

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	06/23/2008	06/23/2008

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	06/13/2008	06/13/2008	Diana Mandile	06/13/2008	06/13/2008

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Arbitration/Subrogation Provisions	Note To Reviewer	Diana Mandile	06/20/2008	06/20/2008

SERFF Tracking Number: *BLAH-125693589* State: *Arkansas*  
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*Company*  
Company Tracking Number: *AH51021*  
TOI: *H21 Health - Other* Sub-TOI: *H21.000 Health - Other*  
Product Name: *Employer Stop Loss*  
Project Name/Number: *Employer Stop Loss/AH51021*

## **Disposition**

Disposition Date: 06/23/2008

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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 Product Name: Employer Stop Loss  
 Project Name/Number: Employer Stop Loss/AH51021

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Health - Actuarial Justification	Approved-Closed	Yes
Supporting Document	Outline of Coverage	Approved-Closed	Yes
Supporting Document	Explanation of Variables	Approved-Closed	Yes
Form	Policy	Approved-Closed	Yes
Form (revised)	Application	Approved-Closed	Yes
Form	Application	Withdrawn	No
Form	Terminal Liability Option Agg Endt	Approved-Closed	Yes
Form	Terminal Liability Option Spec Endt	Approved-Closed	Yes
Form	Monthly Agg Endt	Approved-Closed	Yes
Form	Policy Amendment	Approved-Closed	Yes
Form	Spec Advance Funding Endt	Approved-Closed	Yes
Form	State Health Care Surcharge	Approved-Closed	Yes
Form	Agg Spec Endt	Approved-Closed	Yes
Form	Actively at Work Endt	Approved-Closed	Yes
Form	State Spec Endt	Approved-Closed	Yes

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TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other  
Product Name: Employer Stop Loss  
Project Name/Number: Employer Stop Loss/AH51021

## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 06/13/2008  
Submitted Date 06/13/2008

Respond By Date

Dear Susan Bradbury,

This will acknowledge receipt of the captioned filing.

Objection 1

- Application (Form)

Comment: The stop loss application must contain a NOTICE as outlined under our Bulletin 6-2008.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 06/13/2008  
Submitted Date 06/13/2008

Dear Rosalind Minor,

**Comments:**

### Response 1

Comments: I have revised the Application to include the NOTICE as outlined under Bulletin 6-2008.

Sincerely,

Diana Mandile

### Related Objection 1

Applies To:

SERFF Tracking Number: BLAH-125693589 State: Arkansas  
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 Product Name: Employer Stop Loss  
 Project Name/Number: Employer Stop Loss/AH51021

- Application (Form)

**Comment:**

The stop loss application must contain a NOTICE as outlined under our Bulletin 6-2008.

**Changed Items:**

No Supporting Documents changed.

**Form Schedule Item Changes**

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Application	AH51022-AR		Application/Enrollment Form	Initial			AH51022-AR_SL_App.pdf
<b>Previous Version</b>							
Application	AH51022		Application/Enrollment Form	Initial			AH51022_SL_App_brocketed.pdf

No Rate/Rule Schedule items changed.

Sincerely,  
 Barbara Glowatsky, Denise Beck, Diana Mandile, Susan Bradbury

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**Note To Reviewer**

**Created By:**

Diana Mandile on 06/20/2008 04:02 PM

**Subject:**

Arbitration/Subrogation Provisions

**Comments:**

In our Policy, AH51021, we noted that we neglected to bracket the provision entitled Subrogation under the section entitled Claims Provision and the provision entitled Arbitration under the section entitled General Provisions. These provisions are variables and should be bracketed. We apologize for this error.

Sincerely,  
Diana Mandile

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## Form Schedule

Lead Form Number: AH51021

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed	AH51021	Policy/Cont	Policy ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial		52	AH51021 Policy .pdf
Approved-Closed	AH51022-AR	Application/Enrollment Form	Application/ Enrollment Form	Initial			AH51022-AR_SL_App.pdf
Approved-Closed	AH51023	Policy/Cont	Terminal Liability ract/Fraternal Option Agg Endt al Certificate: Amendment, Insert Page, Endorsement or Rider	Initial			AH51023_Term_Liability_Agg_Endt.pdf
Approved-Closed	AH51024	Policy/Cont	Terminal Liability ract/Fraternal Option Spec Endt al Certificate: Amendment, Insert Page, Endorsement or Rider	Initial			AH51024_Terminal_Liability_Spec_Endt.pdf

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	<i>f.k.a. Investors Guaranty Life Insurance Company</i>		
<i>Company Tracking Number:</i>	<i>AH51021</i>		
<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>Employer Stop Loss</i>		
<i>Project Name/Number:</i>	<i>Employer Stop Loss/AH51021</i>		
Approved- Closed	AH51025 Policy/Cont Monthly Agg Endt ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial	AH51025_Mo nthly_Agg_En dt.pdf
Approved- Closed	AH51026 Policy/Cont Policy Amendment ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial	AH51026_Pol icy_Amendme nt.pdf
Approved- Closed	AH51027 Policy/Cont Spec Advance ract/Fraternal Funding Endt al Certificate: Amendment, Insert Page, Endorsement or Rider	Initial	AH51027 Spec Adv Endt.pdf
Approved- Closed	AH51028 Policy/Cont State Health Care ract/Fraternal Surcharge al Certificate: Amendment, Insert Page, Endorsement or Rider	Initial	AH51028_ST ate surcharge_En dt.pdf

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<i>TOI:</i>	<i>H21 Health - Other</i>	<i>Sub-TOI:</i>	<i>H21.000 Health - Other</i>
<i>Product Name:</i>	<i>Employer Stop Loss</i>		
<i>Project Name/Number:</i>	<i>Employer Stop Loss/AH51021</i>		
Approved- AH51029 Closed	Policy/Cont Agg Spec Endt ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial	AH51029 agg spec endt.pdf
Approved- AH51030 Closed	Policy/Cont Actively at Work Endt ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial	AH51030_Act ivelyatWork_ Amendment.p df
Approved- AH51031- Closed AR	Policy/Cont State Spec Endt ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial	AH51031- AR.pdf



# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## STOP LOSS INSURANCE POLICY

**Policyholder:** [ABC Company]

**Policy Number:** [12345]

**Effective Date:** [May 1, 2008]

**Berkley Life and Health Insurance Company** (“the Company”) agrees to reimburse the Policyholder as outlined under the provisions of this Stop Loss Insurance Policy (“this Policy”), subject to all the terms and conditions of this Policy.

This Policy is legally binding between the Policyholder and the Company. This Policy is issued in consideration of the application and the payment of premiums as provided hereinafter.

The first premium is due on the first day of the Policy Period. Subsequent monthly premiums are due on the first day of each month thereafter. The premium is not considered paid until the premium payment is received by the Company.

All periods of coverage will begin and end 12:01 a.m. Standard Time at the principal office of the Policyholder.

This Policy is governed by the laws of the state in which it was issued except to the extent to which such state law is pre-empted by ERISA.

Signed for the Company as of the Effective Date above:



President



Secretary

**PLEASE READ THIS POLICY CAREFULLY  
THIS IS A POLICY OF EXCESS INSURANCE  
ISSUED TO THE POLICYHOLDER IDENTIFIED ON THE SCHEDULE OF INSURANCE  
AND NOT AN EXCESS OR OTHER FORM OF REINSURANCE AGREEMENT.**

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**Berkley Life and Health Insurance Company**

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

**SCHEDULE OF INSURANCE**

**Policy Period**

[May 1, 2008 through April 30, 2009]

**PERSONS TO BE COVERED UNDER THE STOP LOSS POLICY:** Employees and dependents who meet the eligibility requirements as set forth under the Policyholder's employee benefit Plan, with the exceptions noted below:

Yes*	No				
<input type="checkbox"/>	<input type="checkbox"/>	[Retired Employees	<input type="checkbox"/>	<input type="checkbox"/>	Employees who are not
					Actively at Work ]
<input type="checkbox"/>	<input type="checkbox"/>	COBRA Continuee			

[AGGREGATE STOP LOSS  Yes  No

**Benefit Period:**

Losses Incurred from [May 1, 2008] through [April 30, 2009]  
and Paid from [May 1, 2008] through [April 30, 2009]

Losses Incurred prior to the original Policy Effective Date will be limited to \$\_\_\_\_\_

**Plan Coverages applying to Aggregate Stop Loss:**

<u>Included:</u>	<u>Not Included:</u>	<u>Coverage Type</u>	<u>Included:</u>	<u>Not Included:</u>	<u>Coverage Type</u>
<input type="checkbox"/>	<input type="checkbox"/>	Medical	<input type="checkbox"/>	<input type="checkbox"/>	Disability Income
<input type="checkbox"/>	<input type="checkbox"/>	Prescription Drugs	<input type="checkbox"/>	<input type="checkbox"/>	Other_____
<input type="checkbox"/>	<input type="checkbox"/>	Dental Care			
<input type="checkbox"/>	<input type="checkbox"/>	Vision Care			

**Aggregate Percentage Reimbursable** (Excess of Attachment Point) [100%]

<b>Monthly Aggregate Factors:</b>	Employee	Employee & Spouse	Employee & Child(ren)	Employee & Family
Medical	\$_____	\$_____	\$_____	\$_____
Dental	\$_____	\$_____	\$_____	\$_____
Vision	\$_____	\$_____	\$_____	\$_____
Disability Income	\$_____	\$_____	\$_____	\$_____
Other	\$_____	\$_____	\$_____	\$_____

All coverages are combined for determination of Aggregate Stop Loss liability under the terms of this Policy.

Maximum Aggregate Benefit per Benefit Period \$\_\_\_\_\_  
(Excess of Annual Aggregate Attachment Point)

Maximum Plan Losses per [[Covered Person/Member]/Member] per Benefit Period \$\_\_\_\_\_

Minimum Annual Aggregate Attachment Point \$\_\_\_\_\_]

**[SPECIFIC STOP LOSS]**                       Yes                       No

Benefit Period:

Losses Incurred from May 1, 2008 through April 30, 2009  
and Paid from May 1, 2008 through April 30, 2009

Losses Incurred prior to the original Policy Effective Date will be limited to \$\_\_\_\_\_ per [[Covered Person/Member]/Member]

**Plan Coverages applying to Specific Stop Loss:**

Included:	Not Included:	Coverage Type
<input type="checkbox"/>	<input type="checkbox"/>	Medical
<input type="checkbox"/>	<input type="checkbox"/>	Prescription Drugs
<input type="checkbox"/>	<input type="checkbox"/>	Dental Care
<input type="checkbox"/>	<input type="checkbox"/>	Vision Care
<input type="checkbox"/>	<input type="checkbox"/>	Disability Income
<input type="checkbox"/>	<input type="checkbox"/>	Other _____

Specific Attachment Point (Per Person) \$ \_\_\_\_\_

Special Limitations: [the Specific Attachment Point for John Doe is \$ \_\_\_\_\_]

Aggregating Specific Deductible (if Aggregating Specific Endorsement is selected) \$ \_\_\_\_\_

Specific Percentage Reimbursable (Excess of Attachment Point) \_\_\_\_\_ [100%]

Lifetime Maximum Specific Benefit \$ \_\_\_\_\_ (per [[Covered Person/Member]/Member] in excess of the Specific Attachment Point)]

**[ENDORSEMENTS/AMENDMENTS ATTACHED:**

- Terminal Liability Option Aggregate Coverage
- Terminal Liability Option Specific Coverage
- Monthly Aggregate
- Specific Advance Funding
- Aggregating Specific]

**PREMIUMS:**

[Aggregate Premium per (month/annum/per Employee per month) \$ \_\_\_\_\_]

[Specific Premium per month:    Employee Only                      \$ \_\_\_\_\_  
                                                  Employee & Spouse                      \$ \_\_\_\_\_  
                                                  Employee & Child(ren) \$ \_\_\_\_\_  
                                                  Employee & Family                      \$ \_\_\_\_\_]

[Terminal Liability Option Aggregate Coverage \$ \_\_\_\_\_

Terminal Liability Option Specific Coverage                      \$ \_\_\_\_\_

Monthly Aggregate                                                              \$ \_\_\_\_\_

Specific Advance Funding                                                      \$ \_\_\_\_\_

Aggregating Specific                                                              \$ \_\_\_\_\_]

**THIRD PARTY ADMINISTRATOR:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## DEFINITIONS

**ACTIVELY AT WORK** means on the Effective Date of this Policy a [[Covered Person/Member]/Member] who is an Employee on a scheduled vacation or performing services for the Policyholder, at the location at which such services are normally performed, for 30 or more hours per week earning W-2 wages from the Policyholder which are the equivalent of at least the Federal Minimum Wage. A Retiree and any [[Covered Person/Member]/Member] who is on Social Security Disability continuance or any other leave of absence who is confined in a medical facility on the Policyholder's Policy Effective Date shall not be considered Actively At Work.

A [[Covered Person/Member]/Member] who is an Employee shall not be considered Actively At Work until:

- he returns to active, full-time work at his customary place of employment for at least one complete work day, performing all of the normal job duties required and expected of his position.

A [Covered Person/Member]'s dependent shall not be considered Actively At Work if he is hospital confined or unable to do the normal activities of a person of like age on the Effective Date of this Policy. The dependent shall not be considered Actively At Work until:

- he is released from the hospital; and
- he is also released by his attending physician to do, and he in fact performs, his normal activities.

If a [Covered Person/Member]'s health care coverage under the Plan is being continued in accordance with federal, state or local law on the Effective Date, he will not be considered Actively At Work unless specifically agreed to by the Company in writing.

[**AGGREGATE PERCENTAGE REIMBURSABLE** means the percentage set forth on the Schedule of Insurance.]

[**AGGREGATE PREMIUM** means the applicable rate set forth on the Schedule of Insurance.]

[**AGGREGATING SPECIFIC DEDUCTIBLE** (where the Aggregating Specific Endorsement is selected) means the amount set forth on the Schedule of Insurance.]

[**ANNUAL AGGREGATE ATTACHMENT POINT** for any one Policy Period means the greater of:

- the sum of the Monthly Aggregate Attachment Points; or
- the Minimum Annual Aggregate Attachment Point.]

**BENEFIT PERIOD** means the period of time in which a claim must be Incurred by the [Covered Person/Member] and Paid by the Plan to be eligible for reimbursement under the Policyholder's Stop Loss Policy. This period does not alter the Effective Date, Policy Period, or waive the Policy's eligibility requirements.

[**COVERED PERSON/MEMBER**] means any one individual entitled to benefits under the specific terms and provisions of the Plan. Only eligible classes and individual(s) whose initial and continued eligibility is fully described in the copy of the Plan on file with the Company shall be considered a [Covered Person/Member].

**COVERED UNIT** means the following person or persons who are covered under the Plan:

- an [Employee] [or] [Member];
- an [Employee] [or] [Member] with dependents; or
- such other defined unit as agreed upon between the Company and the Policyholder.]

**DISCLOSURE STATEMENT** means the disclosure statement submitted by the Policyholder to the Company in connection with the issuance of this Policy.

**EFFECTIVE DATE** means the date set forth on the cover page of the Policy.

**EXPERIMENTAL OR INVESTIGATIVE SERVICES**, medical treatments, procedures, technology, supplies or drugs which:

1. have not been approved by the Federal Food and Drug Administration for the particular condition at the time the service, medical treatment, procedure, technology, supply or drug is provided; or
2. is the subject of ongoing Phase I, II, or III clinical trial as defined by the National Institute of Health, National Cancer Institute or the FDA; or
3. there is documentation in published U.S. peer-reviewed medical literature that states that further research, studies, or clinical trials are necessary to determine the safety, toxicity or efficacy of the service, medical treatment, procedure, technology, supply or drug ; or
4. the patient has been asked to sign or has signed a release or other document indicating that the treatment is experimental or investigative or other term of similar meaning.

In determining any of the above, the Company will rely on recognized medical sources such as, but not limited to, the American Medical Association, including the Council of Technology Assistance Program and the Council on Medical Special Services; the National Institute of Health; Medicare; the Food and Drug Administration and other accepted medical authorities and sources.

**INCURRED** means, with respect to Plan benefits, the date on which the services are rendered or supplies are received by the [Covered Person/Member].

[**LIFETIME MAXIMUM SPECIFIC BENEFIT** means the amount set forth on the Schedule of Insurance.]

**LOSS, LOSSES** means expenses incurred by a [Covered Person/Member] or Covered Unit:

1. For which benefits are Paid by the Policyholder under the Plan, and
2. Which are not in excess of the Reasonable and Customary Charge(s) for those services, and
3. Which are medically necessary for the treatment of an illness or injury or for any preventative care covered by the Plan, and
4. Which are reimbursable under this policy subject to its terms, deductible(s), limitations and exclusions.

[**MAXIMUM AGGREGATE BENEFIT PER BENEFIT PERIOD** means the maximum amount under the Aggregate Stop Loss benefit reimbursable by the Company to the Policyholder for the Policy Period as specified in the Schedule of Insurance.]

**MAXIMUM PLAN LOSSES PER [COVERED PERSON/MEMBER] PER BENEFIT PERIOD** means the amount set forth in the Schedule of Insurance.

**MINIMUM ANNUAL AGGREGATE ATTACHMENT POINT** means the lowest amount of the Policyholder's responsibility for the Policy Period, as set forth in the Schedule of Insurance, for Losses under the Plan.]

[**MONTHLY AGGREGATE ATTACHMENT POINT** means the total number of Covered Units for that given Policy month multiplied by the corresponding Monthly Aggregate Factors as specified in the Schedule of Insurance. [However, in the event of a reduction in the number of Covered Units under the Plan, the Monthly Aggregate Attachment Point will not be reduced more than [five] percent from the preceding Monthly Aggregate Attachment Point.]]

[**MONTHLY AGGREGATE FACTORS** means the amounts set forth in the Schedule of Insurance.]

**PAY, PAID, PAYMENT** means checks or drafts issued and deposited in the U.S. Mail or otherwise delivered to the payee, with sufficient funds on deposit on the date the check or draft is issued.

**PLAN** means the self-funded employee benefit plan provided by the Policyholder for [Covered Person/Member]s. A copy of the Plan Document and any amendments in effect on the Policy Effective Date is on file with the

Company for purposes of determining the Company's liability under this Policy. The Plan Document does not waive any of the provisions of this Policy.

**POLICY PERIOD** means the specified period in the Schedule of Insurance, beginning no earlier than the Effective Date of the Policy and continuing until coverage terminates in accordance with the Policy Termination provision.

**POLICYHOLDER** means the legal entity, named on the face page, to whom the Company has issued this Policy.

**REASONABLE AND CUSTOMARY CHARGE(S)** means the usual charge made by the provider of care for a service, not to exceed the usual charge made by the majority of like providers for the same or like service in the same geographical area in which the service or treatment is performed.

**[SPECIFIC ATTACHMENT POINT** means the amount of the Policyholder's responsibility for each [Covered Person/Member] under the Plan during the Benefit Period as specified in the Schedule of Insurance. For each [Covered Person/Member], the Specific Attachment Point will apply separately to each Benefit Period. If this Policy terminates during any Policy Period, the Specific Attachment Point will be calculated as if this Policy had remained in effect for the full Policy Period.]

**SPECIAL LIMITATIONS** means the amount set forth in the Schedule of Insurance.

**[SPECIFIC PREMIUM** means the applicable rates set forth in the Schedule of Insurance.]

**[SPECIFIC PERCENTAGE REIMBURSABLE** means the percentage set forth in the Schedule of Insurance.]

**THIRD PARTY ADMINISTRATOR** means a firm or person which has been retained by the Policyholder to pay claims and/or provide administrative services on behalf of the Policyholder Plan. Administrator in this definition does not have the same meaning as the term "Plan Administrator" used in the Employee Retirement Income Security Act of 1974 (ERISA), unless the Policyholder has specifically appointed their Administrator to perform as such.

### **[AGGREGATE STOP LOSS**

If the Policyholder's Losses for the Benefit Period, stated in the Schedule of Insurance, exceeds the Annual Aggregate Attachment Point for the Policy Period, the Company will reimburse the Policyholder, subject to the terms and conditions of this Policy including the limits set forth in the Schedule of Insurance, an amount;

- equal to the Aggregate Percentage Reimbursable times the amount by which Losses exceed the Annual Aggregate Attachment Point; and
- not to exceed the Maximum Plan Losses per [Covered Person/Member] per Benefit Period; and
- not to exceed the Maximum Aggregate Benefit per Benefit Period.

If a Policyholder's coverage terminates before the end of the Policy Period;

- the Annual Aggregate Attachment Point will be deemed not satisfied; and
- the Company will not be liable for any reimbursement under this Aggregate Stop Loss benefit.

After the end of the Benefit Period, the Company will reimburse the Policyholder for the Aggregate Stop Loss within a reasonable period of time once satisfactory evidence of Payment of such Loss is received and approved by the Company.

While the determination of benefits under the Plan is the sole responsibility of the Policyholder, the Company reserves the right to interpret the terms and conditions of the Plan as they apply to this Policy. If Company finds that any Payment was not made in accordance with the terms of the Plan, or is not an eligible benefit under the Plan,

the Company may exclude such Payment from Losses. The Company has the sole authority to approve or deny reimbursements under this Policy.]

### [SPECIFIC STOP LOSS

If the Policyholder's Losses for the Benefit Period, as shown in the Schedule of Insurance, exceed the Specific Attachment Point, the Company will reimburse the Policyholder, subject to the terms and conditions of this Policy including the limits in the Schedule of Insurance, an amount:

- equal to the Specific Percentage Reimbursable of Specific Stop Loss times the amount by which Losses exceed the Specific Attachment Point amount; but
- not to exceed the Lifetime Maximum Specific Benefit.

Losses for any [Covered Person/Member] during the Policy Period will be determined according to the Benefit Period as shown in the Schedule of Insurance.

The Specific Attachment Point amount as shown in the Schedule of Insurance applies separately to each [Covered Person/Member] during a Benefit Period.

While the determination of benefits under the Plan is the sole responsibility of the Policyholder, the Company reserves the right to interpret the terms and conditions of the Plan as they apply to the Stop Loss Insurance Policy. If the Company finds that any Payment was not made in accordance with the terms of the Plan, or is not an eligible benefit under the Plan, the Company may exclude such Payment from Losses. The Company has the sole authority to approve or deny reimbursements under this Policy.]

**[Reimbursement of Certain Fees Under Specific Stop Loss:** The following fees will be included as eligible Losses for Specific Stop Loss when Incurred and Paid by the Policyholder, and approved by the Company:

1. Reasonable hourly fees for case management service provided by a registered nurse case manager retained by the Policyholder or the Third Party Administrator; and
2. Fees for: (a) hospital bill audits; (b) access to non-directed provider networks; and (c) negotiating out of network bills.

The Company shall consider such fees Losses only if the Policyholder can demonstrate that the work which generated the fees resulted in a cost savings to the Plan. If the Policyholder can demonstrate such a cost savings, the Company will reimburse the Policyholder up to 25% of the amount saved.

Fees charged by the Third Party Administrator, or any subsidiary of the Third Party Administrator, for any of these services will be considered Losses only if prior approval has been obtained in writing from the Company.]

### LIMITATIONS

**[ACTIVELY AT WORK STATUS:** The Company will not reimburse any amounts Paid for individuals who, on the latter of the Effective Date of their coverage under the Plan or the Effective Date of this Policy, are not Actively at Work, or who are excluded by name by way of an attachment to the application or by endorsement. Actively at work status will not apply to those individuals previously disclosed and accepted by the Company.]

### COBRA CONTINUEES

The Company will not reimburse any amounts Paid for [Covered Person/Member]s, whose coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA) is continued beyond the timeframes specified by federal law for any reason including clerical error of the Policyholder; who do not receive a valid COBRA extension offer within the 30 days immediately following a COBRA qualifying event; who fail to make a valid, signed COBRA election within the 60 days immediately following the receipt of COBRA election rights from the

Policyholder; or who fail to remit COBRA premium within the period specified by federal law. The Company will require written documentation that these requirements have been satisfied.]

### **MEDICARE BENEFITS**

With respect to [Covered Person/Member]s who are eligible for coverage under Medicare, any benefit reimbursable to the Policyholder under this Policy shall be reduced by the amount of any similar Medicare benefit paid or reimbursable so that the total reimbursements hereunder with respect to a [Covered Person/Member] or his or her dependents shall not exceed 100% of such person's actual expenses otherwise reimbursable under this Policy.

### **EXCLUSIONS**

The Company will not reimburse any Loss or expense caused by or resulting from any of the following.

- [1. Legal expenses, court costs, or interest upon judgments.]
- [2. Punitive or other damages assessed against the Policyholder, Third Party Administrator or other Party associated with the Plan.]
- [3. Amounts Paid for administration of the Policyholder's Plan including, but not limited to, claim payment fees, cost containment administrative fees, PPO access fees, medical review and consultant fees, premium functions, unless otherwise covered under this Policy.]
- [4. Amounts Paid for
  - any individual who is not eligible for benefits under the Plan;
  - any services or supplies, rendered to a [Covered Person/Member], when such service or supply is not a covered service under the Plan.]
- [5. Amounts Paid for [Covered Person/Member]s which are in excess of Reasonable and Customary charges.]
- [6. Amounts Paid for expenses that are covered by any other medical plan or insurance, including amounts recoverable under any coordination of benefits provision.]
- [7. Amounts Paid for treatment not due to sickness or injury, including cosmetic surgery or any treatment to correct complication of cosmetic surgery except cosmetic surgery required to correct birth defect of a child born to or adopted by a [Covered Person/Member] while his coverage under the Plan is in force; or cosmetic surgery to correct the result of a non-cosmetic surgery that results in deformity, trauma, infection or disease of the involved party.]
- [8. Claims arising out of or caused by or contributed to or in consequence of declared or undeclared war or act of war.]
- [9. Amounts Paid for [dental], [vision], [prescription drugs], [disability income] or other additional supplemental Plan coverages, except as specifically shown in the Schedule of Insurance.]
- [10. Claims arising out of or in the course of any occupation or employment for wage or profit or claims for which the Covered Unit is entitled to benefits under any Workers' Compensation or Occupational Disease Act or Law.]
- [11. Any managed care discount, negotiated discount, audit savings or other discount or savings forfeited or waived by the Policyholder for any reason, including but not limited to untimely payment.]
- [12. Experimental or Investigative services, treatments, procedures technology, supplies or drugs.]
- [13. Amounts paid for care or service that is not medically necessary.]
- [14. Amounts paid for [Covered Person/Member]s who reside outside of the United States.]
- [15. Amounts paid for any treatment administered outside the United States if the [Covered Person/Member] traveled to the location where the treatment was received for the purpose of obtaining treatment.]
- [16. Amounts Paid for care or service that is not medically necessary.]

### **PREMIUMS AND FACTORS**

**PAYMENT OF PREMIUMS:** No coverage under this Policy will be in effect until the first premium is paid. For coverage to remain in effect, each subsequent Payment as shown in the Schedule of Insurance for the applicable

Policy Period, must be paid on or before its due date. The Policyholder is responsible for the Payment of its premiums. Premiums are not considered paid until the premium Payment is received by the Company.

**GRACE PERIOD:** A Grace Period of 31 days from the due date will be allowed for the Payment of each premium after the first premium Payment. During the Grace Period, the coverage will remain in effect provided the premium is paid before the end of the Grace Period. Should a premium otherwise due, not be paid during the Grace Period, this Policy will be terminated without further notice, as of the date for which premiums were last paid.

**PREMIUM AMOUNT:** The Policyholder's premiums will be calculated using rates determined by the Company as set forth in the Schedule of Insurance. The amount of total premium due is the sum obtained by multiplying each rate shown in the Schedule of Insurance by the Covered Units to which the rate applies.

Any correction to the [Specific] [or Aggregate] premium of the Covered Units for the preceding Policy Period, must be reported to the Company within sixty days after the last Policy month of the preceding Policy Period.

**PREMIUM RATE [AND MONTHLY AGGREGATE] FACTOR CHANGE:** The Company may change the Policyholder's premium rate [or Monthly Aggregate] Factor on any of the following:

- [the date when the terms of this Policy are changed; or
- the date the Policyholder adds or deletes subsidiary or affiliated companies or divisions; or
- the date of any revision to the Plan; or
- the date the geographic area in which the Policyholder has Employees or the nature of business in which the Policyholder is engaged in changes; or
- the date there is a change in enrollment exceeding 10% of the first month's enrollment of the current Policy Period or the 9<sup>th</sup> month of the prior Policy Period.
- The date the Policyholder changes its Third Party Administrator.]

[The Company reserves the right to recalculate the premium rate [and the Monthly Aggregate Factor] for the Policy Period, if there is more than a ten percent (10%) variance between:

- the average monthly Paid claims under the Plan for the last two months of the prior Policy Period; and
- the average monthly Paid claims under the Plan for the first ten months of the prior Policy Period.]

## POLICY TERMINATION

This Stop Loss Insurance Policy will continue in effect until the end of the Policy Period, unless coverage is terminated as set forth below.

This Policy and all benefits there under will terminate upon the earliest of the following dates:

- on the due date of any premium which is not paid, subject to the Grace Period; or
- the premium due date next following receipt by the Company of written notice from the Policyholder that this Policy is to be terminated; or
- the date of termination of the Plan; or
- the date the Policyholder suspends active business operations or is placed in bankruptcy or receivership; or
- the date the Policyholder dissolves.

This Policy may also be terminated at the Company's option immediately upon delivery of a written notification to the Policyholder, effective on:

- the date the number of Covered Units under the Plan becomes less than [seventy-five][or][70% of those eligible];
- the date the Policyholder fails to perform any of its duties and obligations as set forth in this Policy;
- the date the Plans fails to pay claims promptly or to make funds available for the payment of claims as required by the Plan; or

- the date the Third Party Administrator is changed by the Company if notice is not provided to the Company and prior approval obtained as required by the terms of this Policy.

If this Policy is terminated before the end of the Policy Period stated in the Schedule of Insurance, the Company has no obligation to reimburse the Policyholder for any Losses that are Paid after the date this Policy is terminated. The Company will not refund any portion of the premium paid by the Policyholder whose Plan terminated during the Policy Period.

**PLAN TERMINATION:** The Policyholder will immediately notify the Company in writing if the Policyholder's Plan is terminated.

## **CLAIMS PROVISIONS**

**CLAIMS ELIGIBLE UNDER TWO CONTRACTS:** If a claim for reimbursement can be filed under two different policy years, it must be filed under the earlier policy year.

**LIABILITY:** The Company will have neither the right nor the obligation under this Policy to directly pay any [Covered Person/Member], provider of professional or medical services, or other third party. The Company's sole liability is to the Policyholder, subject to the terms and conditions of this Policy. Nothing in this Policy shall be construed to permit a [Covered Person/Member] to have a direct right of action against the Company. The Company will not be considered a party to the Plan or to any supplement or amendment to it. The Policyholder may not assign reimbursement under this Policy, and the Company will not recognize any such assignment.

**NOTICE OF CLAIMS:** The Policyholder must give written notice to the Company of a [Covered Person/Member] receiving Eligible Services where the eligible paid claims are expected to exceed or have exceeded [50%- 75%] of the Specific deductible within 30 (thirty) days (or as soon thereafter as reasonably possible) of the date incurred or the date the Policyholder becomes aware of the potential/actual claim. Written notice must include: [Covered Person/Member]'s first and last name, date of birth, identification number, claims paid and pending amount, primary diagnosis, date of onset, prognosis and anticipated liability for the Policy Period. The Policyholder must report to the Company any [Covered Person/Member] who is a potential/actual transplantation recipient (excluding corneal and cochlear transplants). Notification for potential/actual transplantation recipients must include the details provided above and the type of transplantation, donor type, date of evaluation, date of listing, facility name, transplantation network contract provider name. The Policyholder must provide a minimum of quarterly updates to an initial notification or more frequently if a salient change from the initial reported notice of claim has occurred or upon request of the Company.

The Policyholder must also give written notice of claims to the Company within 30 days of the date the Policyholder and their agents become aware of the existence of facts which would reasonably suggest the possibility that Losses will be Incurred which are covered by this Policy, and which are subject to the Aggregate Stop Loss benefit and equal or exceed the Annual Aggregate Attachment Point or are expected to exceed that amount. In addition, the Policyholder must notify the Company immediately when it receives a claim for any potentially catastrophic loss as identified in Exhibit A.

**PAYMENT OF CLAIMS:** Amounts payable under this Policy will be paid to the Policyholder upon receipt and acceptance by the Company of Proof of Loss.

**PROOF OF LOSS:** Policyholder's written Proof of Loss must be submitted to the Company within 90 days of it being Paid by the Policyholder. Later proof will be accepted only if it is shown to have been furnished as soon as reasonably possible and in no event later than one year after the date of Loss.

**REPORTS AND AUDITS:** The Policyholder will submit by the 15th day of each month all Proof of Loss reports and supporting documents including, but not limited to, a monthly summary of all Losses Paid by the Policyholder

and total number of Covered Units covered under the Plan during the prior month. The Policyholder will be responsible for the investigation, auditing, calculating and the Payment of all claims under the Plan.

The Company will have the right:

- to inspect, copy and audit all records and procedures of the Policyholder and Third Party Administrator developed and maintained for the Plan that are applicable to the administration of the Stop Loss Insurance Policy, and
- to require, upon request, proof of records satisfactory to the Company that Payment has been made to the [Covered Person/Member] or the provider of such services or benefits which are the basis for any Loss by the Policyholder hereunder.

The Policyholder and its Third Party Administrator must cooperate with the Company in the event the Company exercises its right to audit as set forth herein.

**OFFSET:** Any payment or overpayment of a claim made to the Policyholder due to error or mistake must be promptly refunded to the Company upon notice to the Policyholder of such error or mistake. The Company may offset any refund owed to the Company for such payment or overpayment or any premium owed to the Company against any reimbursement due the Policyholder.

**OVER-REIMBURSEMENT, THIRD PARTY RECOVERY, OTHER CARRIER LIABILITIES:** Amounts Paid which are reimbursed by, or payable by other insurance companies, reinsurers or third parties will not be included in [Aggregate Stop Loss] [or] [Specific Stop Loss] benefits.

- Should there be a recovery of Paid claims due to a subrogation, reimbursement, or third party liability provision in the Plan, the amount of recovered Plan payments will not apply to [Specific Stop Loss] [or] [Aggregate Stop Loss] benefits. The Company will not reimburse amounts recovered. If the Company reimburses the Policyholder for amounts that are later recovered from a third party payer, the amount recovered must be refunded by the Policyholder to the Company to the extent of any reimbursement, whether or not this Policy is still in force on the date the recovery is received.
- Should there be an over-reimbursement made to the Policyholder due to clerical or other error, the over-reimbursement must be refunded.
- If benefits for a Covered Unit are payable under an extension of benefits provision of a previous insurance carrier, the Company will not accept responsibility for the expenses payable under the prior coverage for such individuals.

**SUBROGATION:** The Policyholder is required to investigate and prosecute all valid claims that it may have against third parties arising out of any claim for which benefits were paid by this Policy. The Policyholder shall account to the Company for all amounts recovered. If the Policyholder fails to pursue any action against a third party and the Company has made benefit payments under this Policy, the Company will be subrogated to all of the Policyholder's rights to make recoveries. However, the Company's Subrogation right is secondary to the Policyholder's right to be fully compensated for its damages. The Policyholder is required to cooperate fully and do all things necessary and required for the Company to pursue any action to recover against the third party; the scope of the Policyholder's cooperation shall include, without limitation, the execution of a Subrogation receipt or assignment in favor of the Company and the granting of authorization to the Company to commence litigation or other legal proceedings in the name of the Policyholder to seek recoveries from third parties. The Company agrees to pay its portion of the Policyholder's attorneys' fees or other costs associated with a claim or lawsuit to the extent that the Company recovers any portion of the benefits paid under this Policy pursuant to its Subrogation right.

## GENERAL PROVISIONS

**ARBITRATION:** All disputes between the Policyholder and the Company shall be settled by arbitration in accordance with the Commercial Rules of the American Arbitration Association, except with regard to rules governing the selection of arbitrators. It is further stipulated that the arbitrator(s) shall, when adjudicating any

dispute under this Policy, consider the terms and conditions of this Policy, applicable substantive law, and may, in the arbitrators' discretion, consider applicable custom and practice in the Accident and Health industry [and the Employer Stop Loss sector.] All matters shall be decided by a panel of three (3) arbitrators, all of whom must be either current or former officers or directors of Life, Health and Accident insurers or current or former insurance brokers or administrators with substantial experience in the [Employer Stop Loss sector.] Each party shall select its own party arbitrator and the parties' chosen arbitrators shall jointly select the third; in the event that the two party-arbitrators cannot agree on the third arbitrator, each party shall appoint three candidates, two of whom shall be stricken by the other party, and the third arbitrator shall thereafter be chosen from the remaining two candidates by the drawing of lots. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. This provision shall survive the termination or expiration of this Policy. The arbitrators shall have no power or authority to award punitive or exemplary damages. Any arbitration shall be confidential, and except as required by law, neither party may disclose the existence, content or results of any arbitration hereunder without the prior written consent of the other parties, except that disclosure is permitted to a party's auditors and legal advisors. The parties hereto may alter any of the terms of this provision only by express written agreement, although such alteration may be before or after any rights or obligations arise under this provision. This provision will survive the termination or expiration of this Policy.

**CLERICAL ERROR:** Clerical error in keeping any records pertaining to the coverage, whether by the Policyholder or by the Company, will not invalidate coverage otherwise validly in force nor continue coverage otherwise validly terminated, provided such clerical error is not prejudicial to the Company and is rectified promptly upon discovery.

**ENTIRE CONTRACT/CHANGES:** The entire contract between the Company and the Policyholder will consist of this Policy, the attached application and Disclosure Statement, any attached amendments or endorsements, and the Policyholder's Plan Document which is on file with the Company.

This Policy can be altered only with the consent of the Company and then only in writing. No such alteration of this Policy shall be valid unless endorsed on or attached to this Policy. No agent, broker, or Third Party Administrator has the authority to alter this Policy or to waive any of its provisions, including premiums shown in the Schedule of Insurance.

**INSOLVENCY:** The insolvency, bankruptcy, financial impairment, receivership, voluntary plan of arrangement with creditors, or dissolution of the Policyholder or the Policyholder's Third Party Administrator will not impose upon the Company any liability other than the liability defined in this Policy. The insolvency of the Policyholder will not make the Company liable to the creditors of the Policyholder, including [Covered Person/Member]s under the Plan.

**LEGAL ACTION:** No legal action may be brought against the Company until there has been full compliance with all the terms of this Policy. All Policy terms will be interpreted under the laws of the state shown on page 1 of this Policy. No legal action may be brought to recover on this Policy within 60 days after written Proof of Loss has been furnished. No legal action may be brought after three (3) years from the time written Proof of Loss is required to be furnished.

**MISREPRESENTATION, CONCEALMENT, FRAUD:** This entire Policy will be void and subject to rescission if the Company determines that the Policyholder or its agent has concealed or misrepresented any material fact or circumstance concerning this Policy, including without limitation material facts contained within the Policy application, the Disclosure Statement, any other material facts provided by the Policyholder to the Company prior to the Policy Effective Date, or regarding any claim or any case of fraud by the Policyholder or its Third Party Administrator or other agent relating to this Policy.

**MISSTATED DATA:** The Company has relied upon the underwriting information provided by the Policyholder, its Third Party Administrator or other Agent in the issuance of this Policy. Should subsequent information become

known which, if known prior to issuance of this Policy, would have affected the rates, deductibles, terms or conditions for coverage, the Company will have the right to revise the rates, deductibles, terms or conditions as of the Effective Date of issuance, by providing written notice to the Policyholder or the Policyholder's Agent. Nothing contained within this provision shall be deemed to in any way, affect the Company's right to rescind the Policy in the event of a material misrepresentation by the Policyholder or the Policyholder's Agent.

**NOTICE:** For the purpose of any notice required from the Company under the provisions of this Policy, notice to the Third Party Administrator shall be considered notice to the Policyholder and notice to the Policyholder shall be considered notice to the Third Party Administrator. Notice from the Policyholder to the Third Party Administrator and notice from the Third Party Administrator to the Policyholder shall not be considered notice to the Company.

**NOTICE OF APPEAL OR LITIGATION:** The Policyholder must promptly provide the Company with written notice of any objection, appeal, or Insurance Department complaint received on a claim processed under the Plan on which it reasonably appears a reimbursement under this Policy may be payable. A copy of any document filed by or against the Policyholder in any court in connection with litigation under the Plan must be promptly furnished to the Company.

**OTHER COVERAGE:** The reimbursement provided by this Policy is in excess of other coverages such as group insurance, excess insurance, reinsurance, plan benefits including insurance or benefits established by any federal, state or local law.

**PARTIES TO THE POLICY:** The parties to this Policy are exclusively the Policyholder and the Company. The Company's sole liability under this Policy is to the Policyholder. This Policy does not create any right or legal relation between the Company and a [Covered Person/Member] under the Plan. This Policy will not be deemed to make the Company a party to any agreement between the Policyholder and any third party.

**PLAN DOCUMENT:** The Policyholder will provide to the Company a complete copy of the Plan Document governing the Plan. No Plan change will affect this Policy without the Company's written consent. Written notice of the Plan change must be given to the Company at least thirty-one days prior to the effective date of the change. The Company will have the right to modify premium rates and/or other terms and conditions of coverage if the Company determines that its liability under this Policy has been affected by such Plan change. If advance written notice is not received and accepted and required herein, the Company's reimbursement may be made as if the Plan had not been amended, at the Company's discretion. The Company's reimbursement will be made according to the amended Plan, once the notice is received and accepted.

**RECORDS:** The Policyholder will maintain records of all [Covered Person/Member]s under the Plan during the Policy Period and for a period of seven years after the termination of this Policy. The Policyholder shall make such records available to the Company as needed to evaluate its liability under this Policy.

**REINSTATEMENT:** If any premium that is due and owing to the Company is paid after the expiration of the Grace Period, the Company may at its option elect to reinstate the Policy on the terms and conditions that the Company elects at that time.

**RENEWAL:** At the end of the Policy Period, but only by mutual agreement of the Policyholder and the Company, this Policy may be renewed for another Policy Period. The renewal may be subject to new premium rates, new underwriting terms, a new Benefit Period and new Policy terms.

**TAXES:** In the event any taxing authority which has jurisdiction over either of the parties finds that additional taxes or other assessments, other than premium taxes paid by the Company with respect to this Policy, must be paid in respect of this Policy, the Plan, or related matters, the Policyholder shall be responsible for such additional taxes and the Company shall be held harmless from any such tax liability.

**THIRD PARTY ADMINISTRATOR:** The Policyholder may retain a Third Party Administrator, who is approved by the Company, to act as the Policyholder's agent in performing administrative duties on behalf of the Policyholder. Without waiving any of its rights under this Policy, and without making the designated Third Party Administrator a party to this Policy, the Company and the Policyholder agree to recognize the Third Party Administrator as an agent for the Policyholder. The Policyholder may change its Third Party Administrator subject to the approval of the Company. A request for approval of a new Third Party Administrator must be submitted to the Company in writing at least 60 days prior to the planned effective date of the change.

**TIME LIMIT ON CERTAIN DEFENSES:** In the absence of fraud, all statements made by the Policyholder shall be deemed representations and not warranties. No statement made by the Policyholder for the purpose of effecting insurance shall be used to contest this Policy or reduce benefits unless contained in a signed, written application, a copy of which has been provided to the Policyholder. No such statement will be used to contest this Policy after this Policy has been in force for two years..

**WAIVER:** Failure of the Company to strictly enforce its rights under this Policy at any time or under any circumstance shall not constitute a waiver of such rights by the Company at any time under the same or different circumstances.

## EXHIBIT A

Claims which are considered to be potentially catastrophic are identified below.

1. [Organ, tissue, or bone marrow transplants.
2. A length of stay request of more than 14 days.
3. A second request for extension of length of stay.
4. A second admission in 6 months or less.
5. Multiple system failure.
6. Multiple trauma.
7. Large dollar claim identified during the interim or final billing that exceeds \$15,000.
8. Request for intensive level of home health care supplies or services.
9. Request for transfer to a rehabilitation facility.
10. Ventilator patient greater than 4 days
11. Pain medication required every 8 hours or more frequently
12. Hyperalimentation (total parenteral nutrition).
13. Interim hospital billing.
14. Home IV antibiotic therapy.
15. Malignant neoplasms (any site).
16. End stage renal disease.
17. Biopsy of Brain.
18. Craniotomy
19. Lobectomy (lung)
20. Pneumonectomy
21. Laryngectomy
22. Thoracostomy
23. Esophagectomy
24. Gastrostomy
25. Hepatectomy
26. Pancreatectomy
27. Nephrectomy
28. Amputation
29. Major burns in excess of 20% - 30% of the body.
30. HIV Positive or AIDS (Acquired Immune Deficiency Syndrome) Related Illnesses, such as:
  - Encephalopathy
  - Confusion in patients younger than 50
  - Kaposi's sarcoma

- Cytomegalovirus
- Pneumocystis carinii pneumonia
- Lymphoreticular malignancy
- Toxoplasmosis
- Cryptosporidium
- Isospora infection
- Bronchial or Pulmonary Candidiasis
- Progressive Multifocal Leukoencephalopathy
- Herpes simplex or herpes zoster

### 31. Blood deficiency disorder

- Severe immune deficiency disorder
- Aplastic anemia

### 32. Cardiovascular disease

- Endocarditis
- Cardiomyopathy
- Late effects of cardiovascular disease

### 33. Cerebral Vascular Disease with Neurological Deficits

- Anoxic brain damage
- Multiple fractures, skull/face
- Cerebral lacerations/ contusion
- Intracranial or subarachnoid hemorrhage
- Coma
- Acute vascular disease (stroke, cardiovascular accident)
- Viral encephalitis

### 34. High Risk Neonatal

- Congenital anomalies including but not limited to spina bifida, cleft lip or palate, anomalies of the heart, GI tract, limbs, or circulatory, respiratory, or nervous system
- Intestinal malabsorption
- Slow fetal growth, fetal malnutrition (failure to thrive)
- Short gestation, low birth weight
- Birth trauma
- Intrauterine hypoxia and birth asphyxia
- Respiratory distress syndrome
- Other respiratory conditions
- Fetal neonatal hemorrhage
- Fetal hemolytic disease
- Apnea/bradycardia
- Hemorrhage (grade 2-4)
- Broncho-pulmonary dysplasia
- Hyaline membrane disease

### 35. High Risk Obstetrical

- Previous preterm delivery
- Preterm labor – current pregnancy
- Anomalous uterus, DES daughter, uterine surgery
- Second trimester abortion (spontaneous or therapeutic)

- Incompetent cervix, cone biopsy, large fibroids
- Multiple gestation
- Pyelonephritis, recurrent urinary tract infections
- Cervical dilation or effacement prior to 36 weeks
- Uterine irritability prior to 36 weeks
- Placenta previa; polyhydramnios
- Bleeding
- Toxemia
- Premature rupture of membranes
- Abruptio placenta
- Request for home uterine monitoring, or home monitoring of pregnancy-induced hypertension.

36. Infectious diseases

- Tuberculosis
- Septicemia
- Meningitis
- Subacute bacterial endocarditis
- Crohn's disease
- Septic Arthritis
- Osteomyelitis

37. Diabetes mellitus, complicated by one or all of the following:

- Circulatory disorders
- Neurologic impairment
- Amputation
- Chronic renal failure
- Blindness
- Cardiac complications

38. Spinal injury/trauma and closed head injury

- Paralytic syndromes
- Quadriplegia, paraplegia, or hemiplegia
- Spinal cord injury
- Closed head injury

39. Neuromuscular

- Amyotrophic Lateral Sclerosis
- Myopathy
- Guillain-Barre Syndrome
- Cerebral Palsy
- Multiple Sclerosis]

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## STOP LOSS INSURANCE APPLICATION

Application is hereby made to **Berkley Life and Health Insurance Company** ("Company") for [Aggregate] [and] [Specific] Stop Loss Insurance. This Application must be accepted and approved by the Company prior to any insurance being in effect.

1. Full Legal name of Policyholder \_\_\_\_\_
2. Key contact at Policyholder \_\_\_\_\_
3. Address \_\_\_\_\_
4. Subsidiary or affiliated companies (companies under common control through stock ownership, contract or otherwise) that are to be included. List legal names and addresses of such companies.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. Nature of Policyholder's Business  
\_\_\_\_\_  
 Corporation    Partnership    Proprietorship    Other \_\_\_\_\_
6. Insurance applied for replaces prior coverage as follows:  
Name of Company: \_\_\_\_\_  
Type of Coverage: \_\_\_\_\_  
Termination Date: \_\_\_\_\_
7. Full name of the Employee Benefit Plan  
\_\_\_\_\_
8. Name and address of Policyholder's Third Party Administrator  
\_\_\_\_\_
9. Proposed Initial Policy Period \_\_\_\_\_
10. **Persons to be covered under the Stop Loss Policy:** Employees and dependents who meet the eligibility requirements as set forth under the Policyholder's Employee Benefit Plan, with the exceptions noted below:  

Yes*	No		Yes*	No	
<input type="checkbox"/>	<input type="checkbox"/>	Retired Employees	<input type="checkbox"/>	<input type="checkbox"/>	Employees who are not
<input type="checkbox"/>	<input type="checkbox"/>	COBRA Continuee			Actively at Work
- \*All "Yes" answers must have a Disclosure Statement attached to this Application
11. Total eligible employees \_\_\_\_\_ Estimated initial enrollment \_\_\_\_\_

[12. **Aggregate Stop Loss**                     Yes                     No

Aggregate Stop Loss Benefit Period:

Losses Incurred from [May 1, 2008 ] through [April 30, 2009]  
and Paid from [May 1, 2008] through [April 30, 2009]

[Losses Incurred prior to the original Policy Effective Date will be limited to \$ \_\_\_\_\_]

Plan Coverages applying to Aggregate Stop Loss:

Included/Not	Included:	Coverage	Type	Included/Not	Included:	Coverage	Type
<input type="checkbox"/>	<input type="checkbox"/>	Medical		<input type="checkbox"/>	<input type="checkbox"/>	Vision Care	
<input type="checkbox"/>	<input type="checkbox"/>	Prescription Drugs		<input type="checkbox"/>	<input type="checkbox"/>	Disability Income	
<input type="checkbox"/>	<input type="checkbox"/>	Dental Care		<input type="checkbox"/>	<input type="checkbox"/>	Other	_____

Aggregate Percentage Reimbursable (Excess of Attachment Point) [100%] \_\_\_\_\_

Monthly Aggregate Factors:

	Employee	Employee & Spouse	Employee & Child(ren)	Employee & Family
Medical	\$ _____	\$ _____	\$ _____	\$ _____
Dental	\$ _____	\$ _____	\$ _____	\$ _____
Vision	\$ _____	\$ _____	\$ _____	\$ _____
Disability Income	\$ _____			
Other	\$ _____	\$ _____	\$ _____	\$ _____

All coverages are combined for determination of Aggregate Stop Loss liability under the terms of this Policy.

Maximum Aggregate Benefit per Benefit Period \$ \_\_\_\_\_  
(Excess of Annual Aggregate Attachment Point)

Maximum Plan Losses per Covered Person per Benefit Period \$ \_\_\_\_\_

Minimum Annual Aggregate Attachment Point \$ \_\_\_\_\_]

13. **Specific Stop Loss**  Yes  No

[Specific Stop Loss Benefit Period:

Losses Incurred from [May 1, 2008] through [April 30, 2009] and

Paid from [May 1, 2008] through [April 30, 2009]

[Losses Incurred prior to the original Policy Effective Date will be limited to \$\_\_\_\_\_ per Covered Person]

**Plan Coverages applying to Specific Stop Loss:**

Included/Not	Included:	Coverage	Type	Included/Not	Included:	Coverage	Type
<input type="checkbox"/>	<input type="checkbox"/>	Medical		<input type="checkbox"/>	<input type="checkbox"/>	Vision Care	
<input type="checkbox"/>	<input type="checkbox"/>	Prescription Drugs		<input type="checkbox"/>	<input type="checkbox"/>	Disability Income	
<input type="checkbox"/>	<input type="checkbox"/>	Dental Care		<input type="checkbox"/>	<input type="checkbox"/>	Other	_____

Specific Attachment Point (Per Person) \$\_\_\_\_\_

Special Limitations: [the Specific Attachment Point for John Doe is \$XX]

Aggregating Specific Deductible (if Aggregating Specific Endorsement is selected) \$\_\_\_\_\_

Specific Percentage Reimbursable (Excess of Attachment Point) [100%]

Lifetime Maximum Specific Benefit \$\_\_\_\_\_ (per Covered Person in excess of the Specific Attachment Point)

14. **[Endorsements/Amendments Attached:**

- Terminal Liability Option Aggregate Coverage Endorsement
- Terminal Liability Option Specific Coverage Endorsement
- Monthly Aggregate Endorsement
- Specific Advance Funding Endorsement
- Aggregating Specific Endorsement]

15. **Premiums:**

[Aggregate Premium per (month/annum/per Employee per month) \$\_\_\_\_\_]

[Specific Premium per month: Employee Only \$\_\_\_\_\_  
Employee & Spouse \$\_\_\_\_\_  
Employee & Child(ren) \$\_\_\_\_\_  
Employee & Family \$\_\_\_\_\_]

[Terminal Liability Option Aggregate Coverage Endorsement	\$ _____]
[Terminal Liability Option Specific Coverage Endorsement	\$ _____]
[Monthly Aggregate Endorsement	\$ _____]
[Specific Advance Funding Endorsement	\$ _____]
[Aggregating Specific Endorsement	\$ _____]

It is understood and agreed as conditions precedent to the approval of this Application that:

- The Policyholder is financially sound, with sufficient capital and cash flow to accept the risks inherent in a “self-funded” health care plan;
- The Third Party Administrator retained by the Policyholder will be considered the Policyholder’s Agent and not the Company’s Agent;
- All documentation requested by the Company must be submitted prior to any approval of this Application and must be received by the Company within [thirty (30) days] of the Effective Date;
- The Company will evaluate the Policyholder’s risk, and may require adjustments of rates, factors and or special limitations to accommodate for abnormal risks;
- Premiums are not considered paid until the premium check is received by the Company and at the rates set forth in the Schedule of Stop Loss.
- If the Policyholder has more than one business location, a representative of the Policyholder at each location has reviewed and completed a Disclosure Statement.

In making this Application, the Policyholder represents that such information accurately reflects the true facts and that the undersigned has authority to bind the Policyholder to the proposed Policy. Accordingly, this Application, including any attached Disclosure Statement, will be a part of the Policy if accepted by the Company.

**NOTICE:** Employers/plan sponsors of self-funded health plans should not consider the purchase of stop loss coverage and/or excess loss coverage as complete protection from all liability created by the self-funded health plan. Employers/plan sponsors should be aware that the failure to comply with the terms of the stop loss policy and/or the provisions in the self-funded health plan may cause the employer/plan sponsor to incur liabilities under the health plan. For instance, if medical claims are paid on an ineligible individual, the stop loss carrier may deny the reimbursement under the stop loss policy. In addition, the Arkansas Life and Health Insurance Guaranty Association does not cover claims reimbursable under a stop loss policy.

[Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits application or files a claim containing a false or deceptive statement is guilty of insurance fraud.]

Signed at \_\_\_\_\_ this \_\_\_ day of \_\_\_\_\_, [2008]

Signed for the Policyholder: \_\_\_\_\_

Name and Title: \_\_\_\_\_

Licensed Agent Signature: \_\_\_\_\_

Licensed Agent Name: \_\_\_\_\_

Social Security # or Tax ID: \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## TERMINAL LIABILITY OPTION AGGREGATE COVERAGE ENDORSEMENT

This Endorsement revises and becomes a part of the Policy to which it is attached. This Endorsement is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Endorsement conflict, the terms of this Endorsement shall govern. Please read this Endorsement carefully.

This Endorsement attaches to and is made part of Policy Number XXXXXXX issued to XXXXXXXXXXXXX.

It is hereby noted and agreed that the Policy is revised as described below:

The Annual Aggregate Attachment Point and the Benefit Period for the Aggregate Stop Loss benefit will be revised as outlined below.

The revised Aggregate Stop Loss Benefit Period will be as stated in the Schedule of Insurance plus Losses Paid in the [ninety (90) days] immediately thereafter.

The revised Annual Aggregate Attachment Point will equal the greater of:

1. the Annual Aggregate Attachment Point for Policy Period as stated in the Schedule multiplied times [1.25];  
or
2. the Minimum Annual Aggregate multiplied times [1.25]

Extended Aggregate Coverage is effective:

1. Only if this Policy is terminated at the end of the Policy Period, and
2. Only if the Policy is not replaced with another stop loss or excess loss policy of any kind whatsoever.

The Policyholder must select this Endorsement at the beginning of the Policy Period stated above and must pay the Endorsement premium as stated in the Schedule of Insurance. If the Aggregate Stop Loss benefit or the Policy are terminated for any reason before the last date of the Policy Period, this Endorsement will be void.

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

**EFFECTIVE DATE OF ENDORSEMENT:** XXXXXXX

Signed for the Company:



President



Secretary

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## TERMINAL LIABILITY OPTION SPECIFIC COVERAGE ENDORSEMENT

This Endorsement revises and becomes a part of the Policy to which it is attached. This Endorsement is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Endorsement conflict, the terms of this Endorsement shall govern. Please read this Endorsement carefully.

This Endorsement attaches to and is made part of Policy Number XXXXXXX issued to XXXXXXXXXXXX.

It is hereby noted and agreed that the Policy is revised as described below.....

The Benefit Period for the Specific Stop Loss benefit will be revised as outlined below.

The revised Specific Stop Loss Benefit Period will be as stated in the Schedule of Insurance plus Losses Paid in the [ninety (90)] days immediately thereafter.

Extended Specific Coverage is effective:

1. Only if this Policy is terminated at the end of the Policy Period, and
2. Only if the Policy is not replaced with another stop loss or excess loss policy of any kind whatsoever.

The Policyholder must select this Endorsement at the beginning of the Policy Period stated above and must pay the Endorsement premium as stated in the Schedule of Insurance.

If the Specific Stop Loss benefit or the Policy are terminated for any reason before the last date of the Policy Period, this Endorsement will be void.

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

**EFFECTIVE DATE OF ENDORSEMENT:** XXXXXXX

Signed for the Company:



President



Secretary

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## MONTHLY AGGREGATE ENDORSEMENT

This Endorsement revises and becomes a part of the Policy to which it is attached. This Endorsement is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Endorsement conflict, the terms of this Endorsement shall govern. Please read this Endorsement carefully.

This Endorsement attaches to and is made part of Policy Number XXXXXX issued to XXXXXXXXXX.

It is hereby noted and agreed that the Policy is revised as described below.

### **Monthly Aggregate Benefit**

If in any month during the Policy Period the total Losses Paid by the Policyholder, for which reimbursement is provided under the terms of the Policy, exceed the sum of:

1. the greater of (a) the Monthly Aggregate Attachment Point or (b) the pro rata portion of the Minimum Annual Aggregate Attachment Point;
2. any previous advances; and
3. \$1,000;

the Policyholder may request an advance of the excess aggregate benefit. The Policyholder must submit within 20 days following the end of the month for which the advance is requested, Notice of Claim and Proof of Loss. The Company will then advance to the Policyholder the amount by which the sum of year to date Losses Paid exceeds the sum of 1. and 2. above.

The initial request for reimbursement cannot be made prior to the end of a 90 day period following the first day of the Policy Period.

### **Reconciliation**

At the end of the Policy Period, the Policyholder must submit Proof of Loss showing the sum of all Losses Paid during the Policy Period. If the sum of what the Policyholder Paid is greater than the actual Annual Aggregate Attachment Point, then the Company will pay the amount of that excess less any amounts advanced. If the Company advanced the Policyholder more than the amount of the Maximum Aggregate Reimbursement, the Company may, at its option:

1. require repayment of the overpayment within 30 days after providing written notice of the amount due, subject to a late payment charge of 10% per annum; or
2. reduce subsequent reimbursements under the Aggregate or Specific Stop Loss benefit by the amount of the overpayment.

**Treatment of Accommodation**

The accommodation provided under this Endorsement shall be an obligation of the Policyholder for which no interest shall be charged and shall be repaid as provided herein. The accommodation is neither a loan nor an advance on any payments to be made pursuant to the Policy. Any accommodation shall at all times be considered funds of the Company for which the use by the Policyholder of such funds is provided in this Endorsement. The Company shall have preference over all other claimants for the return of an accommodation made under this Endorsement. The Policyholder shall be liable for all costs and expenses, including reasonable attorney's fees, incurred in the collection of any amount of accommodation outstanding.

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

**EFFECTIVE DATE OF ENDORSEMENT: XXXXXXXX**

Signed for the Company:



President



Secretary

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## POLICY AMENDMENT

Amendment No: XX

This Amendment revises and becomes a part of the Policy to which it is attached. This Amendment is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Amendment conflict, the terms of this Amendment shall govern. Please read this Amendment carefully.

This Amendment attaches to and is made part of Policy Number XXXXXXX issued to XXXXXXXXXXXXX.

It is hereby noted and agreed .

[See explanation of variables]

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

**EFFECTIVE DATE OF AMENDMENT:** XXXXXXX

Signed for the Company:



President



Secretary

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## **SPECIFIC ADVANCE FUNDING ENDORSEMENT**

This Endorsement revises and becomes a part of the Policy to which it is attached. This Endorsement is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Endorsement conflict, the terms of this Endorsement shall govern. Please read this Endorsement carefully.

This Endorsement attaches to and is made part of Policy Number XXXXXX issued to XXXXXXXXXX.

It is hereby noted and agreed that the Policy is revised as described below.

### **Specific Advance Funding Benefit**

After the Specific Attachment Point with regard to a Covered Person has been satisfied, the Company will, upon request, advance fund Specific Stop Loss benefits for Plan claims that have been Incurred but not yet Paid by the Policyholder, subject to the following:

- Advance funding is only available for Plan claims greater than [\$10,000] over the Specific Attachment Point.
- Claims submitted for advance funding must have been fully processed by the Policyholder or the Third Party Administrator according to the terms of the Plan and must be ready for Payment.
- Normal claim audit procedures will be implemented prior to any Specific Stop Loss benefits being paid by the Company.
- The Policyholder's Payment must be released to the providers of care within 10 working days of receiving the advance funding check by the Company. Payment within this time period will be considered a Paid claim within the Benefit Period. If such Payment is not made within the required time period, the advance funding check must be returned to the Company.
- Any portion of the advance funding check not used to Pay a Plan benefit, due to additional discounts or any other reason, must be returned to the Company within 10 days.
- [The request for advance funding must be received by the Company prior to 30 days before the end of the Policy Period. Requests received after that date are not eligible for advance funding.]

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

**EFFECTIVE DATE OF ENDORSEMENT:** XXXXXX

Signed for the Company:



President



Secretary

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## STATE HEALTH CARE SURCHARGE

This Endorsement revises and becomes a part of the Policy to which it is attached. This Endorsement is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Endorsement conflict, the terms of this Endorsement shall govern. Please read this Endorsement carefully.

This Endorsement attaches to and is made part of Policy Number XXXXXX issued to XXXXXXXXXX.

It is hereby noted and agreed that the Policy is revised as described below:

If the Policyholder pays a state health care surcharge imposed by [Louisiana,] [Massachusetts,] [or New York] in connection with the payment of Losses, such health care surcharges are included as Losses. We will only reimburse health care surcharges imposed by [New York] up to [8.85%] of the amount upon which the surcharge was levied.

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

**EFFECTIVE DATE OF ENDORSEMENT:** XXXXXXX

Signed for the Company:



President



Secretary

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## AGGREGATING SPECIFIC ENDORSEMENT

This Endorsement revises and becomes a part of the Policy to which it is attached. This Endorsement is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Endorsement conflict, the terms of this Endorsement shall govern. Please read this Endorsement carefully.

This Endorsement attaches to and is made part of Policy Number XXXXXX issued to XXXXXXXXXX.

It is hereby noted and agreed that the Policy is revised as described below.

1. The following Definitions are added to the Policy:

**AGGREGATING SPECIFIC DEDUCTIBLE** means the amount shown in the Schedule of Insurance, which will apply separately to each Benefit Period.

**SPECIFIC EXCESS AMOUNT** means the amount by which Losses for a Covered Person for the applicable Benefit Period exceed the Specific Attachment Point, multiplied by the Specific Percentage Reimbursable shown in the Schedule of Insurance. The Specific Excess Amount may not exceed the Lifetime Maximum Specific Benefit.

**TOTAL SPECIFIC EXCESS AMOUNT** means the total of the Specific Excess Amounts for all Covered Persons for whom Losses for the applicable Benefit Period exceed the Specific Attachment Point.

2. The Specific Stop Loss benefit is deleted and replaced with the following:

### **SPECIFIC STOP LOSS**

If the Policyholder's Losses for the Benefit Period, as shown in the Schedule of Insurance, exceed the Specific Attachment Point for a Covered Person, the Company will calculate the Specific Excess Amount for that Covered Person. The Company will monitor the Specific Excess Amounts for all Covered Persons for the applicable Benefit Period. No Specific Stop Loss benefit will be payable until the Total Specific Excess Amount exceeds the Aggregating Specific Attachment Point. The Company will reimburse the Policyholder, subject to the terms and conditions of this Policy including the limits in the Schedule of Insurance:

- the amount by which the Total Specific Excess Amount exceeds the Aggregating Specific Deductible; but
- not to exceed the Lifetime Maximum Specific Benefit.

Losses for any Covered Person during the Policy Period will be determined according to the Benefit Period as shown in the Schedule of Insurance.

The Specific Attachment Point amount as shown in the Schedule of Insurance applies separately to each Covered Person during a Benefit Period.

While the determination of benefits under the Plan is the sole responsibility of the Policyholder, the Company reserves the right to interpret the terms and conditions of the Plan as they apply to the Stop Loss Insurance Policy. If the Company finds that any Payment was not made in accordance with the terms of the Plan, or is not an eligible benefit under the Plan, the Company may exclude such Payment from Losses. The Company has the sole authority to approve or deny reimbursements under this Policy.

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

**EFFECTIVE DATE OF ENDORSEMENT:** XXXXXXXX

Signed for the Company:



President



Secretary

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## ACTIVELY AT WORK AMENDMENT

Amendment No: XX

This Amendment revises and becomes a part of the Policy to which it is attached. This Amendment is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Amendment conflict, the terms of this Amendment shall govern. Please read this Amendment carefully.

This Amendment attaches to and is made part of Policy Number XXXXXXX issued to XXXXXXXXXXXXX.

It is hereby noted and agreed .

The definition of Actively at Work is hereby deleted in its entirety.

The Exclusion which reads "Claims arising out of or in the course of any occupation or employment for wage or profit or claims for which the Covered Unit is entitled to benefits under any Workers' Compensation or Occupational Disease Act or Law." Is hereby waived under the following:

If they or their employers do not elect to obtain Workers' Compensation coverage, the following will be covered for claims arising out of or in the course of their occupation or employment for wage or profit.

- Household domestic servant
- Farm or ranch laborer
- Individual lessor of a commercial motor vehicle leased to a motor carrier and driven by such individual lessor
- Individual employer
- Self-employed person
- Partner
- Limited liability company member
- Executive officer of a corporation owning 25% or more of the corporation's stock
- Executive officer of a nonprofit corporation receiving annual compensation of less than \$1000.

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

**EFFECTIVE DATE OF AMENDMENT:** XXXXXXX

Signed for the Company:



President



Secretary

# Berkley Life and Health Insurance Company

Urbandale, Iowa

[Administrative Office: 2445 Kuser Road, Suite 201, Hamilton Square, NJ 08690]

**A Berkley Company**

## ARKANSAS POLICY ENDORSEMENT

This Endorsement revises and becomes a part of the Policy to which it is attached. This Endorsement is subject to all the provisions, limitations and exclusions of the Policy except as they are specifically modified herein. In the event any provision of the Policy and this Endorsement conflict, the terms of this Endorsement shall govern. Please read this Endorsement carefully.

This Endorsement attaches to and is made part of Policy Number [XXXXXXX] issued to [XXXXXXXXXXXXX]. The effective date of this Endorsement is the effective date of the Policy to which it is attached.

The following Sections are added:

### CONSUMER INFORMATION NOTICE

**The Insurance Company may be contacted at its Administrative Office:**

[Berkley Life and Health Insurance Company](#)

[2445 Kuser Road, Suite 201

Hamilton Square, NJ 08690

1-866-723-4452]

**The Insurance Agent may be contacted at:**

[Joseph Agent

123 Main Street

Anytown, AR 12345

1-800-234-5678]

**The State Insurance Department may be contacted at:**

Arkansas Insurance Department

[1200 West Third Street

Little Rock, AR 72201-1904

1-800-282-9134]

### *GUARANTY ASSOCIATION NOTICE*

### LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

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## DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

The Arkansas Life and Health Insurance Guaranty Association  
c/o The Liquidation Division  
1023 West Capitol  
Little Rock, Arkansas 72201

Arkansas Insurance Department  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

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The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

### COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

### EXCLUSIONS FROM COVERAGE

However, persons owning such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution;
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

#### LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which benefits could be provided out of the assets of the impaired or insolvent insurer.

All other terms, conditions, limitations and exclusions of the Policy remain unchanged.

Signed for the Company:



President



Secretary

SERFF Tracking Number: *BLAH-125693589* State: *Arkansas*  
Filing Company: *Berkley Life and Health Insurance Company* State Tracking Number: *39297*  
*f.k.a. Investors Guaranty Life Insurance*  
*Company*  
Company Tracking Number: *AH51021*  
TOI: *H21 Health - Other* Sub-TOI: *H21.000 Health - Other*  
Product Name: *Employer Stop Loss*  
Project Name/Number: *Employer Stop Loss/AH51021*

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: BLAH-125693589 State: Arkansas  
 Filing Company: Berkley Life and Health Insurance Company State Tracking Number: 39297  
 f.k.a. Investors Guaranty Life Insurance  
 Company  
 Company Tracking Number: AH51021  
 TOI: H21 Health - Other Sub-TOI: H21.000 Health - Other  
 Product Name: Employer Stop Loss  
 Project Name/Number: Employer Stop Loss/AH51021

## Supporting Document Schedules

**Satisfied -Name:** Certification/Notice **Review Status:** Approved-Closed 06/13/2008

**Comments:**

Consumer Information Notice is part of the State Specific Endorsement AH51031-AR under the Form Schedule tab.

**Attachment:**

AR-READ.pdf

**Bypassed -Name:** Application **Review Status:** Approved-Closed 06/13/2008

**Bypass Reason:** Application AH51022 is under the Form Schedule Tab.

**Comments:**

**Bypassed -Name:** Outline of Coverage **Review Status:** Approved-Closed 06/13/2008

**Bypass Reason:** N/A

**Comments:**

**Satisfied -Name:** Explanation of Variables **Review Status:** Approved-Closed 06/13/2008

**Comments:**

**Attachment:**

BLHIC EO.V.pdf

CERTIFICATE OF COMPLIANCE  
FOR ARKANSAS

This is to certify the attached form has achieved the Flesch Reading Ease Score given below and complies with the requirements of Arkansas Stat. Ann, 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language simplification Act.

Form Name: Stop Loss Insurance Policy

Form Number: AH51021

Flesch Reading Ease Score: 52.2



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Susan E. Bradbury, Director of Compliance

June 12, 2008

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Date

# Berkley Life and Health Insurance Company

Urbandale, Iowa  
Administrative Office: 2445 Kuser Road, Suite 201, Hamilton NJ 08690

## **EXPLANATION OF VARIABLES**

### **STOP LOSS INSURANCE FORMS**

#### **Purpose and Use of Forms**

- Brackets around numbers or alphas in a listing and punctuation or words such as “and”/”or” in a listing will be included or deleted as needed in order to make the statement read correctly.
- Numeric variables within the Policy will always comply with the minimum statutory requirements of the state in which the Policy is delivered.
- All names, dates, amounts and other numbers, such as percents, time periods, page numbers, are illustrative and will vary from case to case.
- Appropriate modifications will be made depending on whether separate specific or aggregate coverage is included. In addition, these provisions may be appropriately modified to reflect the type of plan requested by the Policyholder.
- No changes will be made to the forms which are in conflict with state law or are outside the parameters of the variability described herein.

*Note that the above variables will not be explained everywhere they appear.*

#### **SCHEDULE FOR EXCESS POLICY, FORM # AH51030**

- The Schedule is considered to be variable in its entirety. It contains sample language for filing purposes. Numeric variables are shown as typical ranges. In all cases of ranges both the minimum and maximum limits will comply with any applicable state mandates.
- The Schedule will specify those types of benefits provided, and the options and amounts elected by the Policyholder. For example, a Policy may provide only Specific Stop Loss Benefits, only Aggregate Stop Loss Benefits, or both.

#### **EXCESS LOSS INSURANCE POLICY, FORM # AH51021**

##### DEFINITIONS.

- Any variable definitions will be either in or out depending on the coverage elected by the Policyholder.
- The definition of Covered Unit will include those classes of persons as agreed to by the Policyholder and the Company.

##### SPECIFIC AND AGGREGATE STOP LOSS

- Each benefit will be included only if selected by the Policyholder.

Explanation of Variables

## LIMITATIONS

- The references to Retired Employees, Late Entrants and COBRA Continuees will be retained only if such coverage is selected by the Policyholder as shown in the Application and the Schedule.

## EXCLUSIONS

- In general all exclusions are bracketed for the sole purpose of deleting and liberalizing the plan. At issue, each exclusion will be included or excluded in its entirety, based on the plan of benefits agreed to by the Policyholder and the Company.

## PREMIUMS AND FACTORS

- Each item in the list under Premium Rate And Monthly Aggregate Factor Change will be included or omitted in its entirety as agreed upon between the Company and the Policyholder.

## EXHIBIT A

- Exhibit A provides a listing of potentially catastrophic plan claims that must be reported to the Company in accordance with the Notice of Claim provision. The specific types of claims are considered variable in their entirety.

## **APPLICATION FOR EXCESS POLICY, FORM # AH51022**

- The Application is considered to be variable in its entirety. It contains sample language for filing purposes. Numeric variables are shown as typical ranges. In all cases of ranges both the minimum and maximum limits will comply with any applicable state mandates.
- The Application specifies those types of benefits available, and the options and amounts to be elected by the Policyholder. For example, a Policy may provide only specific stop loss benefits, only aggregate stop loss benefits, or both.

## **POLICY AMENDMENT FORM # AH51026**

This Amendment will be used for a variety of administrative and coverage changes. Changes that may be made by way of this Amendment include, but are not limited to, the following:

Administrative Changes. The Amendment may be used to make changes to administrative information, for example name changes, address changes, Policy number changes, Plan name changes, or change of TPA.

Policy Reissue. The Amendment may be used to reissue the Schedule as of the Policy termination date, with the new Schedule reflecting the new Policy Period and any other changes agreed to by the Company and the Policyholder.

Change of Schedule Items and Coverage Amounts. The Amendment may be used to change variable Schedule information as agreed to by the Company and the Policyholder. Examples include changing attachment points, reimbursement percentages and maximums; adding or deleting covered units or eligible coverages (such as vision and dental); changing premium mode, rates or factors; changing the benefit period; changing the liability basis.

Deletion of Variable Exclusions and Limitations. The Amendment may be used to delete in their entirety any Policy exclusions or limitations that have been filed as variable. Use of the Amendment in this capacity will only be for the purposes of liberalizing or expanding coverage.

Explanation of Variables

## **ADDITIONAL OPTIONAL ENDORSEMENTS**

The following endorsements are optional and to be elected by the Policyholder:

### **Extended Aggregate Endorsement, Form AH51023**

Extends the basis for Aggregate Stop Loss for a specified period beyond the end of the Policy Period.

### **Extended Specific Endorsement, Form AH51024**

Extends the basis for Specific Stop Loss for a specified period beyond the end of the Policy Period.

### **Monthly Aggregate Endorsement, Form AH51025**

Allows the Policyholder to request an advance on the aggregate excess benefit for any month in which the Plan Benefits Paid exceed the stated amount.

### **Specific Advance Funding Endorsement, Form AH51027**

Allows the Policyholder to receive certain Specific Stop Loss benefits in advance. The stop loss benefit is provided after a Plan benefit has been Incurred, but before it has been Paid by the Policyholder.

### **Aggregating Specific Endorsement, Form AH51029**

Provides an additional tier of liability to be retained by the Policyholder before Specific Stop Loss benefits are payable.