

SERFF Tracking Number: CMPL-126096440 State: Arkansas  
Filing Company: American Medical and Life Insurance Company State Tracking Number: 44336  
Company Tracking Number: AMLI CHCA ASSN 3-2009  
TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
Product Name: AMLI CHCA ASSN 3-2009  
Project Name/Number: AMLI CHCA ASSN 3-2009/AMLI CHCA ASSN 3-2009

## Filing at a Glance

Company: American Medical and Life Insurance Company

Product Name: AMLI CHCA ASSN 3-2009 SERFF Tr Num: CMPL-126096440 State: Arkansas

TOI: H14G Group Health - Hospital Indemnity SERFF Status: Closed-Approved-  
Closed State Tr Num: 44336

Sub-TOI: H14G.000 Health - Hospital Indemnity Co Tr Num: AMLI CHCA ASSN 3-  
2009 State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Rosalind Minor  
Author: Nancy French Disposition Date: 01/07/2010  
Date Submitted: 12/15/2009 Disposition Status: Approved-  
Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: AMLI CHCA ASSN 3-2009  
Project Number: AMLI CHCA ASSN 3-2009  
Requested Filing Mode: Review & Approval  
Explanation for Combination/Other:  
Submission Type: New Submission  
Overall Rate Impact:  
Filing Status Changed: 01/07/2010

Status of Filing in Domicile:  
Date Approved in Domicile:  
Domicile Status Comments:  
Market Type: Group  
Group Market Size: Large  
Group Market Type: Association  
Explanation for Other Group Market Type:  
State Status Changed: 01/07/2010  
Created By: Nancy French  
Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: Nancy French

Filing Description:

Dear Commissioner:

Compliance Research Services is pleased to submit the enclosed forms on behalf of American Medical and Life Insurance Company (AMLI). A letter of filing authorization is enclosed.

The purpose of this submission is to allow AMLI to provide limited medical coverage to residents of your state who are members of the Consumer Assistance Services Association, a bona fide association based in Illinois. Coverage will be provided to individual association members.

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The enclosed forms provide coverage for accidents, hospital confinement, hospital intensive care confinement, surgery, doctor office visit, preventive care, surgery, urgent care/emergency room, diagnostic tests, X-ray and laboratory, ambulance, mental health, chemical abuse and accidental death. Coverage is available to eligible members and their dependents. Variable areas of the certificate are set off in brackets. These include "John Doe" information and the ranges of benefits that will be offered.

We have enclosed the certificate of coverage for your review and approval. The enclosed amendatory endorsement adds provisions that are required for certificates issued to association members who are residents of your state. Members will apply for coverage with enrollment form AMLI GRP LM 2007 ENRL approved by your Department on December 7, 2006 under SERFF #AMLI-125043540.

The enclosed forms are new and do not replace any forms currently on file with your Department. They are in final format. AMLI requests the right to change the type style and paper size or to issue the forms in electronic format.

We have included any transmittals and certifications required by your Department. We have also included the association bylaws and a questionnaire with detailed information provided by the association.

If you have questions concerning this filing, please contact me at 513-984-6050 or at dsimon@crssolutionsgroup.com.

Sincerely,

J. David Simon, CLU  
President

## Company and Contact

### Filing Contact Information

Nancy French, Product Manager  
10921 Reed Hartman Highway  
Suite 334

nfrench@crssolutionsgroup.com  
513-984-6050 [Phone]  
513-984-7212 [FAX]

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 Cincinnati, OH 45242

**Filing Company Information**

(This filing was made by a third party - complianceresearchservicesllc)

American Medical and Life Insurance Company CoCode: 81418 State of Domicile: New York  
 8 West 38th Street - Suite 1002 Group Code: Company Type:  
 New York, NY 10018 Group Name: State ID Number:  
 (513) 984-6050 ext. [Phone] FEIN Number: 13-2562243

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**Filing Fees**

Fee Required? Yes  
 Fee Amount: \$60.00  
 Retaliatory? No  
 Fee Explanation: 20 x 3  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Medical and Life Insurance Company	\$60.00	12/15/2009	32790325

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	01/07/2010	01/07/2010

### 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	12/21/2009	12/21/2009	Nancy French	01/05/2010	01/05/2010

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## Disposition

Disposition Date: 01/07/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Bylaws	Approved-Closed	Yes
Supporting Document	Questionnaire	Approved-Closed	Yes
Supporting Document	Certification	Approved-Closed	Yes
Supporting Document	Authorization	Approved-Closed	Yes
Form	Certificate of Coverage	Approved-Closed	Yes
Form	Group Limited Benefits Health Insurance Certificate Schedule	Approved-Closed	Yes
Form	Arkansas Amendatory Endorsement	Approved-Closed	Yes

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 12/21/2009  
Submitted Date 12/21/2009

Respond By Date  
Dear Nancy French,

This will acknowledge receipt of the captioned filing.

### Objection 1

- Certificate of Coverage, AMLI GRP LM 2007 CERT (Form)

#### Comment:

Benefits must be paid for Children's Preventive Health Care as outlined under ACA 23-79-141.

Please feel free to contact me if you have questions.

Sincerely,  
Rosalind Minor

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 01/05/2010  
Submitted Date 01/05/2010

Dear Rosalind Minor,

#### Comments:

Thank you for your review of the above referenced filing. This letter is intended to address the comments you have raised in connection with the American Medical filing.

### Response 1

Comments: 1. You stated that benefits must be provided for Children's Preventive Health Care as outlined under ACA 23-79-141. Our review of ACA 23-79-141 (d) shows that the requirement to provided Children's Preventive Health Care benefits only apply to a certificate delivered or issued for delivery in Arkansas that provides coverage on an expense incurred basis. As this coverage is provided on an indemnity basis, we respectfully request that you reconsider your position that the requirements contained in ACA 23-79-141 apply.

#### Related Objection 1

Applies To:

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- Certificate of Coverage, AMLI GRP LM 2007 CERT (Form)

**Comment:**

Benefits must be paid for Children's Preventive Health Care as outlined under ACA 23-79-141.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

We trust that with these changes and additional information the forms may now be considered for final approval.

Sincerely,  
Nancy French

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## Form Schedule

### Lead Form Number: AMLI GRP LM 2007 CERT

Schedule Item	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed 01/07/2010	AMLI GRP LM 2007 CERT	Certificate	Certificate of Coverage	Initial		41.000	CASA IL LM Certificate.pdf
Approved-Closed 01/07/2010	AMLI GRP LM 2007 SCHED	Schedule Pages	Group Limited Benefits Health Insurance Certificate Schedule	Initial		53.000	CASA IL LM Sched of Benefits.pdf
Approved-Closed 01/07/2010	GRP LM 2007-AE-AR-(11/08)	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Arkansas Amendatory Endorsement	Initial		47.000	AR AE.pdf

**American Medical and Life Insurance Company**  
New York, New York

**GROUP LIMITED BENEFITS ACCIDENT AND SICKNESS HEALTH INSURANCE**

**THIS IS A LIMITED BENEFIT COVERAGE PROVIDING BENEFITS DUE TO ACCIDENT AND SICKNESS. THIS CERTIFICATE EXPLAINS THE LIMITED BENEFITS PROVIDED UNDER THE GROUP SUPPLEMENTAL HEALTH INSURANCE POLICY. BENEFITS PROVIDED ARE SUPPLEMENTAL AND NOT INTENDED TO COVER ALL MEDICAL EXPENSES. THIS IS NOT A SUBSTITUTE FOR COMPREHENSIVE HEALTH INSURANCE.**

**CERTIFICATE OF COVERAGE**

Issued under the terms of

**Group Insurance Policy Number: [50012]**

**Issued to: [Consumer Assistance Services Association]  
(herein called the Holder)**

**Policy Date: [February 1, 2009]**

American Medical and Life Insurance Company hereby certifies that members of the class(es) eligible for insurance are insured under the above Policy as determined by the Eligibility and Effective Date provisions. Class is defined in the Certificate Schedule.

This Certificate is evidence of insurance provided under the Policy. All benefits are paid according to the terms of the Policy. This Certificate describes the essential features of the insurance coverage.

In this Certificate, the words "Named Insured" or "You" means a member of an eligible class as described on the Certificate Schedule, who is insured under the Policy and for whom premiums are remitted. The words Covered Person refer to any person covered under the Policy as described on the Certificate Schedule. The words We, Us, Our or Company refer to American Medical and Life Insurance Company. Policy means the Group Supplemental Health Insurance contract owned by the Policy Holder and available for review by You. If the terms of Your Certificate of coverage and the Policy differ, the Policy will govern.

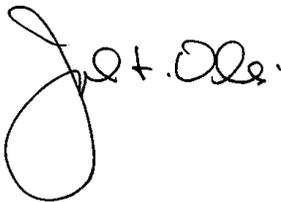
The Policy and this Certificate may be changed in whole or in part or cancelled as stated in the Policy. Such action may be taken without the consent of or notice to any Covered Person. Only an authorized officer at Our home office can approve a change. The approval must be in writing and endorsed on or attached to the Policy. No other person, including an agent, may change the Policy or Certificate or waive any of its provisions. Premiums are subject to periodic changes.

The male pronoun includes the female whenever used.

This Policy is delivered in and governed by the laws of the governing jurisdiction and to the extent applicable by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments.

**TO OBTAIN INFORMATION YOU MAY CALL OUR TOLL FREE NUMBER: 1-888-264-1512**

For American Medical and Life Insurance Company:



President



Chief Compliance Officer

**The Policy is a limited Policy. Please read this Certificate carefully.  
THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.**

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## **CERTIFICATE SCHEDULE**

The benefit specifications are shown on the following attachment(s) which are hereby made a part of this Certificate:

[AMLI GRP LM 2007-SCHED] Certificate Schedule

## **GENERAL DEFINITIONS**

Additional definitions may be contained in other Certificate benefit provision or any endorsement or rider.

### **Accident**

*Accident* means an unintended or unforeseen bodily injury sustained by a Covered Person, wholly independent of disease, bodily infirmity, illness, infection, or any other abnormal physical condition.

### **Confined or Confinement**

*Confined* or *Confinement* means the assignment to a bed as a resident inpatient in a Hospital or a licensed Skilled Nursing Facility on the advice of a Physician or Confinement in an Observation Unit within a Hospital for a period of no less than 20 continuous hours on the advice of a Physician.

### **Covered Accident**

A *Covered Accident* is an Accident which:

- occurs after the effective date shown on the Certificate Schedule;
- occurs while this Certificate is in force; and
- is not excluded by name or specific description in this Certificate.

**Covered Person(s).** You and Your Dependents who are insured under the Group Policy.

### **Covered Sickness**

A *Covered Sickness* means a Sickness which:

- occurs after the effective date shown on the Certificate Schedule;
- occurs while this Certificate is in force; and
- is not excluded by name or specific description in this Certificate.

### **Doctor or Physician**

A *Doctor or Physician* means a legally qualified practitioner of the healing arts acting within the scope of his or her license and is not an Immediate Family Member.

For purposes of this definition, Immediate Family Member means a Covered Person's Spouse, son, daughter, mother, father, sister, or brother.

### **Experimental/Investigational**

A drug, device or medical care or treatment will be considered experimental/investigational if:

- The drug or device cannot be lawfully marketed without approval of the U.S. Food and Drug Administration and approval for marketing has not been given at the time the drug or device is furnished;
- The informed consent document utilized with the drug, device, medical care or treatment states or indicates that the drug, device, medical care or treatment is part of a clinical trial, experimental phase or investigational phase or if such a consent document is required by law;

- The drug, device, medical care or treatment or the patient informed consent document utilized with the drug, device or medical care or treatment was reviewed and approved by the treating facility's Institutional Review Board or other body serving a similar function, or if federal or state law requires such review and approval;
- Reliable evidence shows that the drug, device or medical care or treatment is the subject of ongoing Phase I or Phase II clinical trials, is the research, experimental study or investigational arm of ongoing Phase III clinical trials, or is otherwise under study to determine the maximum tolerated dose, its toxicity, its safety, its efficacy or its efficacy as compared with a standard means of treatment or diagnosis.

Reliable evidence means only: published reports and articles in authoritative medical and scientific literature; written protocol or protocols by the treating facility studying substantially the same drug, device or medical care or treatment; or the written informed consent used by the treating facility or other facility studying substantially the same drug, device, medical care or treatment. Benefits will be considered in accordance with the drug or device at the time it is given or when medical care is received.

### **Hospital**

A *Hospital* means a short-term, acute general hospital that is:

- primarily engaged in providing, by or under continuous supervision of physicians, to inpatients diagnostic and therapeutic services for diagnosis, treatment and care of injured or sick persons;
- has organized departments of medicine and major surgery;
- has a requirement that every patient must be under the care of a physician or dentist;
- provides 24 hour nursing care by or under the supervision of RNs;
- has in effect a hospital review plan applicable to all patients which meets at least the standards set forth in Section 1861(k) of the United States Public Law 89-97 (42 USCA 1395x[k]);
- is duly licensed by the agency responsible for licensing such hospitals; and
- is not, other than incidentally, a place of rest, a place primarily for the treatment of tuberculosis, a place for the aged, a place for drug addicts, alcoholics, or a place for convalescent, custodial, educational or rehabilitatory care.

### **Hospital Intensive Care Unit**

A *Hospital Intensive Care Unit* means a place which:

- is a specifically designated area of the Hospital called an Intensive Care Unit that is restricted to patients who are critically ill or injured and who require intensive, comprehensive observation and care;

- is separate and apart from the surgical recovery room and from rooms, beds and wards customarily used for patient Confinement
- is permanently equipped with special lifesaving equipment for the care of the critically ill or injured;
- is under constant and continuous observation by a specially trained nursing staff assigned exclusively to the Intensive Care Unit on a 24-hour basis; and
- has a Physician assigned to the Intensive Care Unit on a full-time basis.

A Hospital Intensive Care Unit that meets the definition above may include Hospital units with the following names:

- Intensive Care Unit;
- Coronary Care Unit;
- Neonatal Intensive Care Unit;
- Pulmonary Care Unit;
- Burn Unit;
- Transplant Unit.

A Hospital Intensive Care Unit is not any of the following step-down units:

- a progressive care unit;
- an intermediate care unit;
- a private monitored room;
- a sub-acute Intensive Care Unit;
- an Observation Unit; or
- any facility not meeting the definition of a Hospital Intensive Care Unit as defined in this Certificate.

### **Medically Necessary**

*Medically Necessary* means a service or supply that is necessary and appropriate for the diagnosis or treatment of an Injury or Sickness based on generally accepted current medical practice. A service or supply will not be considered Medically Necessary if:

- it is provided only as a convenience to the Covered Person or provider;
- it is not appropriate treatment for the Covered Person's diagnosis or symptoms;
- it exceeds in scope, duration or intensity that level of care which is needed to provide safe, adequate and appropriate diagnosis or treatment; or
- it is experimental/investigational treatment.

The fact that a Physician may prescribe, order, recommend or approve a service or supply does not, of itself, make the service or supply Medically Necessary.

### **Named Insured**

A *Named Insured* is a person who is a member of an eligible class and holds a certificate of coverage.

### **Observation Unit**

An *Observation Unit* is a specified area within a Hospital, apart from the emergency room, where a patient can be monitored following outpatient surgery or treatment in the emergency room by a Physician; and which

- is under the direct supervision of a Physician or registered nurse; and
- is staffed by nurses assigned specifically to that unit; and
- provides care seven days per week, 24 hours per day.

### **Policy Year**

*Policy Year* means a consecutive 12-month period or any part of such period, beginning on the Certificate Effective Date and ending on the Certificate Anniversary Date as shown on the Certificate Schedule.

### **Pre-existing Condition**

*Pre-existing condition* means a condition (whether physical or mental), regardless of the cause of the condition, for which medical advice, diagnosis, care or treatment was recommended or received from a physician within a 6 month period preceding the effective date of coverage of the Covered Person.

### **Resource Based Relative Value System, referred to as RBRVS.**

The methodology used by the federal government to determine benefits payable under Medicare. Medicare assigns a "Relative Value Unit" or RVU to thousands of procedure codes used to bill physician and other services. The total RVU is the sum of three component RVUs including the Work RVU, the Practice Expense RVU and the Malpractice RVU. The Work RVU takes into account factors such as the amount of time required to perform the service and the degree of skill required to perform it. The Practice Expense RVU takes into account the location of the service, e.g., office setting, outpatient setting, etc. The Malpractice RVU takes into account the malpractice cost associated with a particular practice. We will base benefits payable on RBRVS.

### **Sickness**

*Sickness* means an illness, infection, disease or any other abnormal physical condition not caused by an Accident.

### **Skilled Nursing Facility**

*Skilled Nursing Facility* means a facility that is operated pursuant to law and is primarily engaged in providing room and board accommodations and skilled nursing care under the supervision of a duly licensed Physician.

### **Waiting Period**

*Waiting period* means the period of time during which benefits are not paid. The waiting period for this policy is 0 days

## **ELIGIBILITY AND EFFECTIVE DATE**

### **Effective Dates of Coverage**

Your coverage under the Policy will start at 12:01 a.m. Standard Time on the effective date of coverage shown on Your Certificate Schedule.

### **Eligibility**

To be eligible to enroll in the coverage, an individual must:

- be a member of an eligible class as defined on the Certificate Schedule; and
- satisfy the waiting period shown on the Certificate Schedule, if applicable.

### **Enrollment**

An individual who is a member of an eligible class may enroll for coverage during the eligibility period, as shown on the Certificate Schedule that follows the later of:

- the Certificate Effective Date;
- the date the individual first becomes a member of an eligible class;
- the date the individual completes the waiting period shown on the Certificate Schedule, if applicable.

An individual who fails to enroll during the eligibility period may enroll only during the annual Open Enrollment Period shown on the Certificate Schedule.

### **Delayed Effective Date of Coverage**

The effective date of any Named Insured's coverage will be delayed for any Named Insured if they are not a member of an eligible class on the effective date shown on the Certificate Schedule. The coverage will be effective on the date that the Named Insured returns to status as a member of an eligible class. If this is Named Insured and Spouse coverage or family coverage, coverage on the Spouse and/or Dependent children will be effective on the date that the Named Insured returns to status as a member of an eligible class.

### **Who is Covered By This Certificate**

If this is Named Insured coverage as shown on the Certificate Schedule, We insure You, the Named Insured.

If this is Named Insured and Spouse coverage as shown on the Certificate Schedule, We insure You and Your Spouse.

If this family coverage, as shown on the Certificate Schedule, We insure You, Your Spouse (if applicable), and Your Dependent children.

*Spouse* means the person married to You on the day We issue Your Certificate.

*Dependent children* means:

- any unmarried natural children, step-children, legally adopted children or children placed into Your

custody for adoption who is under the age of 19 years of age; and

- any unmarried children who are 19 years of age to age 26 years of age if the child:
  - a. is attending an accredited school full-time; and
  - b. chiefly dependent upon you for support and maintenance.

Adopted children and step children will be eligible for coverage on the same basis as natural children.

Coverage on a Dependent child will continue for a covered student who takes a leave of absence from school due to illness for a period of 12 months from the last day of attendance in school. However, coverage will not continue beyond the age at which coverage would otherwise terminate. In order to qualify for this continuation, the medical necessity of a leave of absence from school must be certified to by the student's attending Physician. Written documentation of the illness must be submitted to Us.

Coverage for the Named Insured's newborn children:

A child born to You or Your insured Spouse will automatically become insured as a Dependent. The child must be born to the Named Insured or to his Spouse while this Policy is in force. We will cover each newborn child from the moment of live birth. Such coverage includes:

- the necessary care and treatment of medically diagnosed congenital defects;
- birth abnormalities;
- prematurity'

### **Coverage for the Named Insured's adopted child(ren):**

We will cover the Named Insured's adopted child(ren) from the moment of birth if You take physical custody of the infant upon the infant's release from the hospital and file a petition pursuant to Section 115-c of the Domestic Relations Law within thirty days of birth provided that no notice of revocation to the adoption has been filed pursuant to Section 115-b of the Domestic Relations Law and consent to the adoption has not been revoked. However, coverage of the initial hospital stay shall not be required where a natural parent has insurance coverage available for the infant's care.

A child adopted by You or Your insured Spouse will automatically become insured as a dependent. The effective date of the coverage will be the earlier of:

- the date of placement for the purpose of adoption; or
- the date on which You assume a legal obligation for total or partial support of the child.

Coverage for adopted children will be to the same extent as is provided for other covered dependent children and will include the necessary care and treatment of pre-existing medical conditions.

Coverage will continue for the adopted child unless the placement is disrupted prior to the final adoption; and

- the child is permanently removed from placement;
- the legal obligation terminates; or
- You rescind, in writing, the agreement of adoption or agreement assuming financial responsibility.

For each newborn, step child and/or adopted child, You must:

- notify Us of his birth or placement in Your residence within 31 days of this occurrence;
- complete the required application for him; and
- pay the required premium for him, if any.

If a newborn is not enrolled within 31 days of birth coverage will be provided from the date that notice is given. Any Additional premium required should be made to the Holder within 31 days of notification of birth or placement for the purposes of a step child and/ or adoption.

## **DESCRIPTION OF BENEFITS**

### **ACCIDENT MEDICAL BENEFIT**

We will pay the Accidental Medical Benefit, shown on the Certificate Schedule, if any Covered Person incurs charges due to injuries received in a Covered Accident.

Covered charges are subject to:

- Accident Medical Benefit Deductible;
- The Accident Medical Benefit percent;
- Accident Medical Maximum Benefit amount; and
- the provisions of this Policy.

The Deductible, Accident Medical Benefit percent and Maximum Benefit for the Accident Medical Benefit are shown in the Certificate Schedule.

Covered charges for this benefit are:

- Hospital room and board and general nursing services;
- Hospital miscellaneous expense for medical services and supplies including emergency services;
- operating and recovery room;
- Physician charges for medical treatment including performing a surgical procedure;
- diagnostic tests performed by a Physician including laboratory fees and x-rays;
- the cost of giving an anesthetic;
- a private duty nurse;
- prescription drugs;
- rental of durable medical equipment (if the purchase price is less than the rental, the maximum amount payable will be the purchase price);
- artificial limbs, eyes and other prosthetic devices, except replacement;

- casts, splints, trusses, crutches and braces, except dental braces;
- oxygen and rental of equipment for the administration of oxygen;
- physiotherapy given by a licensed physical therapist acting within the scope of their license.

If a Covered Person is injured in a Covered Accident, this Accident Medical Benefit will cover any remaining expenses, not covered by the group policy according to the Schedule of Benefits and Policy Provisions.

The Accident Medical Benefit will be paid after other Benefits available under the Group Limited Benefits Accident and Sickness Health Insurance has been exhausted.

### **HOSPITAL CONFINEMENT BENEFITS**

#### **Hospital Confinement Benefit**

We will pay the Hospital Confinement Benefit, shown on the Certificate Schedule, if any Covered Person incurs charges for and is Confined in a Hospital due to injuries received in a Covered Accident or due to a Covered Sickness. The Confinement to a Hospital must begin while the coverage is in force.

We will pay the amount shown on the Certificate Schedule for each day the Covered Person is confined, up to the Hospital Confinement Maximum Benefit shown on the Certificate Schedule.

We will not pay this benefit for:

- emergency room treatment;
- outpatient treatment; or
- Confinement of less than 20 hours to an Observation Unit.

We will not pay the Hospital Confinement benefit and the Hospital Intensive Care Unit Confinement benefit concurrently.

We will not pay for any Hospital Confinement of a newborn child of a covered person following birth unless the child is injured or sick.

Written proof of loss should include a Hospital bill verifying the patient's name, the dates of Hospital Confinement, the diagnosis and the charges incurred.

#### **Hospital Intensive Care Unit Confinement Benefit**

We will pay the Hospital Intensive Care Unit Confinement Benefit, shown on the Certificate Schedule, if any Covered Person incurs charges for and is Confined to a Hospital Intensive Care Unit as the result of injuries received in a Covered Accident or due to a Covered Sickness. The Confinement to a Hospital Intensive Care Unit must begin while the coverage is in force.

We will pay the Hospital Intensive Care Unit benefit amount shown on the Certificate Schedule for each day the Covered Person is Confined, up to the Hospital Intensive Care Unit Maximum Benefit shown on the Certificate Schedule.

If any Covered Person is Confined to a Hospital care unit that does not meet the definition in this Policy of a Hospital Intensive Care Unit, We will pay the Hospital Confinement benefit up to the maximum benefit period shown on the Certificate Schedule. We will not pay the Hospital Intensive Care Unit Confinement benefit and the Hospital Confinement benefit concurrently.

We will not pay for any Hospital Confinement of a newborn child of a covered person following birth unless the child is injured or sick.

Written proof of loss should include a Hospital bill verifying the patient's name, the dates of Hospital Confinement, the diagnosis and the charges incurred.

### **Surgery With Anesthesia Benefit**

We will pay the Surgery Benefit, shown on the Certificate Schedule, if any Covered Person undergoes a surgical procedure due to a Covered Accident or Covered Sickness. The procedure must be performed by a Physician using anesthesia administered by a licensed anesthesiologist or certified registered nurse anesthetist (CRNA). We will pay this benefit once per covered surgical procedure. If a Covered Person has more than one surgical procedure performed at the same time, We will pay only one surgical procedure benefit, even if caused by more than one Accident or Sickness. We will pay the benefit that has the highest dollar value. The surgical procedure must occur while the coverage is in force.

The Anesthesia Benefit is the surgery benefit times the percentage shown in the Certificate Schedule.

If a Covered Person has more than one surgery for the same Covered Accident or Covered Sickness in a 90-day time period, We will pay the benefit that has the highest dollar value. If We have already paid a lower benefit amount for the same Covered Accident or Covered Sickness, We will deduct the amount paid from the higher benefit amount and pay the difference.

Written proof of loss should include the surgeon's and the anesthesiologist's or certified registered nurse anesthetist's (CRNA's) itemized statement(s) verifying the patient's name, the surgical procedure code(s), the date of treatment, the diagnosis and the charges incurred.

This benefit is subject to the Surgery Maximum Benefit shown on the Certificate Schedule.

This benefit will not be paid for surgeries performed without anesthesia.

## **DOCTOR'S OFFICE VISIT BENEFITS**

### **Doctor's Office Visit**

We will pay the Doctor's Office Visit Benefit, shown on the Certificate Schedule, if any Covered Person incurs charges for and requires a Doctor's office visit due to injuries received in a Covered Accident or due to a Covered Sickness. The visit must occur:

- while the coverage is in force; and
- after the waiting period. No benefits will be paid for visits during the waiting period.

For a visit due to injuries received in a Covered Accident, the visit must occur within 72 hours after the date of the Covered Accident.

Services must be rendered by a licensed Physician acting within the scope of their license.

We will pay the Doctor's Office Visit benefit amount per visit shown on the Certificate Schedule, up to the Doctor's Office Visit Benefit Maximum Benefit, shown on the Certificate Schedule.

Written proof of loss should include bills verifying the patient name, the date of treatment, the diagnosis and the charges incurred.

### **PREVENTIVE CARE TEST BENEFIT**

We will pay the Preventive Care Test Benefit, shown on the Certificate Schedule, if any Covered Person incurs charges for and has one of the preventive care tests listed below performed:

- while the coverage is in force; and
- after the waiting period. No benefits will be paid for a Preventive Care Test performed during the waiting period.

This benefit is not subject to the limitations and exclusions listed in the Limitations and Exclusions section of this Policy.

We will pay the Preventive Care Test Benefit listed on the Certificate Schedule for one of only the following Preventive Care Tests (also referred to as "Tests" or "Test")

- Blood test for triglycerides
- Bone marrow testing
- Breast ultrasound
- CA 15-3 (blood test for breast cancer)
- CA 125 (blood test for ovarian cancer)
- CEA (blood test for colon cancer)
- Chest X-ray
- Colonoscopy or virtual colonoscopy
- Eye exam performed by a licensed optometrist or ophthalmologist
- Fasting blood glucose test
- Flexible sigmoidoscopy
- Hemoccult stool analysis
- Mammography
- PSA (blood test for prostate cancer)

- Pap smear or Thin Prep Pap Test
- Serum Protein Electrophoresis (blood test for myeloma)
- Stress test on a bicycle or treadmill
- Thermography

This benefit is subject to the Preventive Care Test Benefit Maximum Benefit shown on the Certificate Schedule.

Written proof of loss should include a billing statement from the medical provider conducting the test, verifying the patient's name, the type of Preventive Test performed and the date of treatment.

**URGENT CARE/EMERGENCY ROOM VISIT BENEFIT**

We will pay the Urgent Care/Emergency Room Benefit, shown on the Certificate Schedule, if any Covered Person incurs charges for and requires medical care from an urgent care facility or emergency room due to injuries received in a Covered Accident or due to a Covered Sickness. The visit must occur:

- while the coverage is in force; and
- after the waiting period. No benefits will be paid for visits during the waiting period.

For a visit due to injuries received in a Covered Accident, the visit must occur within 72 hours after the date of the Covered Accident.

Services must be rendered by a Physician including.

We will pay the Urgent Care/Emergency Room benefit amount shown on the Certificate Schedule, up to the Urgent Care/Emergency Room Benefit Maximum Benefit, shown on the Certificate Schedule.

Written proof of loss should include bills verifying the patient name, the date of treatment, the diagnosis and the charges incurred

**DIAGNOSTIC, X-RAY AND LABORATORY TESTS BENEFIT**

We will pay the Diagnostic Test Benefit shown on the Certificate Schedule when any Covered Person incurs charges for diagnostic, x-ray and/or laboratory testing caused by a Covered Accident or Covered Sickness.

Benefits are payable on a per day basis and are subject to:

- the Diagnostic Test Benefit amount per day;
- the maximum number of testing days per Policy Year, per Covered Person; and
- the definitions, limitations, exclusions and other provisions of this policy.

The Diagnostic Test must be performed:

- while the coverage is in force;
- in a Hospital, ambulatory surgical center or Doctor's office; and

- after the waiting period. No benefits will be paid for a diagnostic test performed during the waiting period.

The Diagnostic Test must be ordered by a Physician because of a Covered Accident or Covered Sickness.

Benefits are payable subject to the Maximum Number of Testing days per Policy Year for each Covered Person shown in the Certificate Schedule.

This benefit is subject to the Diagnostic Tests, X-ray and Laboratory Benefit Maximum Benefit shown on the Certificate Schedule.

We will not pay the Preventive Care Test Benefit and the Diagnostic Test Benefit concurrently.

Benefits for Colonoscopy Test are limited to one test per Policy Year per Covered Person.

If any Covered Person has a procedure for which a benefit would be payable under the Surgery With Anesthesia benefit, We will pay only the Surgery With Anesthesia benefit.

Written proof of loss should include a billing statement from the medical provider conducting the Diagnostic Test, verifying the patient's name, the type of Diagnostic Test performed, the diagnosis and the charges incurred and the date of treatment.

**AMBULANCE BENEFIT**

We will pay the Ambulance Benefit shown on the Certificate Schedule, if a licensed professional ambulance company transports any Covered Person by ground or air transportation to or from a Hospital or between medical facilities, where treatment is received as the result of a Covered Sickness or Accident. The Covered Person must incur charges while the coverage is in force for professional ambulance service to receive this benefit. The ambulance transportation must be within 90 days after a Covered Sickness or Accident. We will pay this amount once per Covered Sickness or Accident.

This benefit is subject to the Ambulance Benefit Maximum Benefit, shown on the Certificate Schedule.

**MENTAL HEALTH BENEFITS**

**Inpatient Benefits**

For Inpatient Benefits, we will pay the Mental Health Inpatient Benefit, shown on the Certificate Schedule, for each day of confinement if any Covered Person is confined to a Hospital or licensed institution to provide treatment for Mental Illness.

Benefits are subject to the Mental Health Inpatient Benefit Maximum Benefit shown on the Certificate Schedule.

## **Outpatient Benefits**

For Outpatient Benefit, we will pay the Mental Health Outpatient Benefit, shown on the Certificate Schedule, for Covered Persons receiving treatment as a result of Mental Illness.

Benefits are subject to the Mental Health Outpatient Benefit Maximum shown on the Certificate Schedule.

*Mental Illness* means any mental condition including but not limited to affective disorders, neuroses, anxiety, stress, adjustment reactions, Alzheimer's disease and other organic senile dementias.

We will not pay any benefit for stays in a Half-Way house or other place that is not a licensed facility offering treatment for Mental Illness.

## **CHEMICAL ABUSE AND DEPENDENCY DIAGNOSIS AND TREATMENT BENEFIT**

We will pay the Chemical Abuse and Dependency Diagnosis and Treatment Benefit, shown on the Certificate Schedule for Covered Persons receiving services provided in facilities which are accredited by the joint commission on accreditation of hospitals as alcoholism, substance abuse or chemical dependence treatment programs, for the treatment of Chemical Abuse and Chemical Dependency.

Benefits for detoxification services as a consequence of chemical dependence are subject to the Detoxification Maximum Benefit, shown on the Certificate Schedule, of 7 days of active treatment per Policy Year per Family.

Benefits for rehabilitation services are subject to the Rehabilitation Maximum Benefit, shown on the Certificate Schedule, of 30 days of inpatient care per Policy Year per Family.

Chemical Abuse and Dependence Diagnosis and Treatment

The term "chemical abuse" means alcohol and substance abuse.

## **ACCIDENTAL DEATH BENEFIT**

### **Accidental Death Benefit**

We will pay the Accidental Death Benefit, shown on the Certificate Schedule if any Covered Person is injured as the result of a Covered Accident, and the injury causes the Covered Person to die within 90 days after the Covered Accident.

### **Proof of Loss**

We must be given written proof of loss within 90 days after the covered loss occurs. If an authorized representative is not able to give Us written proof of loss within 90 days, it will not have a bearing on the claim if AMLI GRP LM 2007 CERT

proof is given to Us as soon as it is reasonably possible except in the absence of legal capacity. Written proof of loss must include a claim form and if loss is due to death of a covered person, a certified copy of the death certificate.

### **Beneficiary**

In the event of a benefit payable due to the Named Insured's death, the Accidental Death benefit will be paid to the Named Insured's beneficiary. The beneficiary is the person the Named Insured designated in the enrollment form as the beneficiary, unless it was changed at a later date. If a beneficiary was not named or if the person named is not living at the Named Insured's death, any Accidental Death benefit due will be paid in this order to:

The Insured's Spouse; or children; or parents; or brothers and sisters; or estate. In the event of a benefit payable due to the death of a Spouse or Dependent child, the Accidental Death benefit will be paid to the Named Insured, if living, otherwise to the estate of the insured Spouse or Dependent child.

If benefits are payable to a Covered Person's estate, We can pay benefits up to \$1,000 to someone related to the Covered Person by blood or marriage who We feel is fairly entitled to them. If We do this, We will have no responsibility for this payment because We made it in good faith.

### **Change of Beneficiary**

The Named Insured can ask Us to change their beneficiary at any time. The Insured should notify Us, and We will send him the form to complete. The request must be witnessed by someone other than his present beneficiary or his proposed beneficiary and returned to Us at Our home office. The change must be approved by Us. If approved, it will go into effect the day he signed the request. The change will not have a bearing on any payment We make before We receive it.

## **LIMITATIONS AND EXCLUSIONS**

We will not pay benefits for:

Treatment, services or supplies which:

- Are not Medically Necessary;
- Are not prescribed by a Doctor as necessary to treat Sickness or injury;
- Are experimental/investigational in nature, except as required by law;
- Are received without charge or legal obligation to pay; or
- Is provided by an immediate family member.

### **Additional Limitations and Exclusions**

Except as specifically provided for in this Policy or any attached Riders, We will not pay benefits for Sickness or injuries that are caused by:

### **Alcoholism or Drug Addiction**

**Dental Procedures** –Dental care or treatment except for such care or treatment due to accidental injury to sound natural teeth within 12 months of the accident and except for dental care or treatment necessary due to congenital disease or anomaly.

**Elective Procedures and Cosmetic Surgery** – Cosmetic surgery, except that cosmetic surgery shall not include reconstructive surgery when such service is incidental to or follows surgery resulting from trauma, infection or other disease of the involved part and reconstructive surgery because of congenital disease or anomaly of a covered dependent child which has resulted in a functional defect.

**Felony or Illegal Occupation** Commission of or attempt to commit a felony or to which a contributing cause was the insured's being engaged in an illegal occupation.

**Manipulations of the Musculoskeletal System** –care in connection with the detection and correction by manual or mechanical means of structural imbalance, distortion or subluxation in the human body for purposes of removing nerve interference and the effects thereof, where such interference is the result of or related to distortion, misalignment or subluxation or of or in the vertebral column.

**Suicide or Injuries Which Any Covered Person Intentionally Does to Himself-** suicide, attempted suicide or intentionally self-inflicted injury.

**War or Act of War.** War or act of war (whether declared or undeclared; participation in a felony, riot or insurrection; service in the Armed Forces or units auxiliary thereto. Losses as a result of acts of terrorism committed by individuals or groups will not be excluded from coverage unless the Covered Person who suffered the loss committed the act of terrorism.

**Worker's Compensation** –benefits provide under any State or Federal workers' compensation, employers' liability or occupational disease law.

#### **Pre-existing Condition Limitation**

There is no coverage for a pre-existing condition for a continuous period of 12 months following the effective date of coverage under this Policy.

This limitation does not apply to:

- genetic information in the absence of a diagnosis of the condition related to such information;
- a newborn child who is enrolled in the plan within 30 days after birth; nor to a child who is adopted or placed for adoption before attaining 18 years of age; and as of the last day of the 30-day period beginning on the date of birth, adoption or placement for adoption, is covered under creditable coverage;
- pregnancy; and

- an individual, and any dependent of such individual, who is eligible for a federal tax credit under the federal Trade Adjustment Assistance Reform Act of 2002 and who has three months or more of creditable coverage.

In determining whether a pre-existing condition limitation applies, we will credit the time the covered person was previously covered under creditable coverage, if the previous creditable coverage was terminated less than 63 days prior to the effective date of the Covered Person's coverage under the policy.

Creditable coverage includes (a) a group health plan; (b) health coverage; (c) Part A or Part B of title XVIII of the Social Security Act; (d) Title XIX of the Social Security Act, other than coverage consisting solely of benefits under section 1928; (e) Chapter 55 of title 10, United States Code; (f) a medical care program of the Indian Health Service or of a tribal organization; (g) a state health benefits risk pool; (h) a health plan offered under chapter 89 of title 5, United States Code; (i) a public health plan, including health coverage provided under a plan established or maintained by a foreign country or political subdivision (as defined in regulations); (j) a health plan under section 5(e) of the Peace Corps Act (22 U.S.C. 2504(e)) and coverage under S-CHIP.

#### **TERMINATION OF INSURANCE**

##### **Termination of a Named Insured's Coverage**

The coverage on a Named Insured will terminate on the earliest of the following dates:

- the date the Policy terminates; or
- midnight on the last day, for which premium was paid, if premium is not paid by the end of the grace period, or
- 90 days after the date written notice was provided that the Named Insured is no longer in an eligible class; or
- the date the Named Insured's class is no longer included for insurance; or
- on the date the Named Insured asks Us to end their coverage.

If we discontinue to offer this coverage to a particular class we will provide the class the option to purchase other coverage currently offered in such market without regard to the claims experience of the class or any health related status to any insureds covered or new insureds who may become eligible for such coverage.

##### **Extension of Benefits**

Termination of coverage will not affect any claim that began while the coverage was in force.

If a Covered Person is Confined in a Hospital on the date coverage terminates We will continue to pay any applicable benefits until the earlier of

- the date the Covered Person is discharged from the Hospital; or
- 90 days after the date the coverage terminates.

## **When Coverage Ends on the Named Insured's Spouse and/or Dependents**

If this is Named Insured and Spouse coverage or two-parent family coverage, coverage on the Named Insured's Spouse will end:

- if the Policy terminates;
- if the premiums are not paid for the Named Insured's Spouse when they are due;
- on the date the Named Insured asks Us to end their Spouse's coverage;
- on the date the Named Insured dies; or
- on the date the next premium is due after the Named Insured divorces their Spouse.

If this is family coverage, coverage on the Named Insured's dependents will end:

- if this Policy terminates;
- if the premium is not paid for the Named Insured's dependents when it is due;
- on the date the Named Insured asks Us to end their Dependent coverage; or
- on the date the Named Insured dies.

Coverage will end on each Dependent child when they no longer qualifies as a Dependent as defined in the Certificate. It is the Named Insured's responsibility to notify Us if any Dependent no longer qualifies as an eligible Dependent. If this is family coverage and all of the dependents no longer qualify as eligible dependents and We are not notified, the extent of Our liability will be to refund premium for the time period for which they did not qualify. Coverage will not end on a Dependent child who reaches the limiting age if that child is incapable of self-sustaining employment by reason of mental illness, developmental disability, mental retardation as defined in the mental hygiene law or physical handicap and who became so incapable prior to the attainment of the age at which dependent coverage would otherwise terminate and who is dependent upon such employee or member for support and maintenance.

## **GENERAL PROVISIONS**

### **Coverage Provided by the Policy**

We insure a Covered Person for loss according to the provisions of the Policy.

When making a benefit determination under the Policy, We have discretionary authority to determine the Covered Person's eligibility for the benefits and interpret the terms and provisions of the Policy.

### **State Laws**

Any provision of the Policy that, on the effective date, does not agree with state laws where the Named Insured lives will be amended to conform to the minimum requirements of those laws.

## **HOW TO FILE A CLAIM/CLAIM PROVISIONS**

### **How to File a Claim**

A claim form must be completed within 90 days after the covered loss begins or as soon as it is reasonably

possible. The claim form, along with proof of loss, should be sent to Us at Our home office.

If the Named Insured does not have a claim form, he must give Us a written statement describing the loss within 90 days after the covered loss begins or as soon as it is reasonably possible. The statement should include his name and Certificate Schedule Number as shown in the Certificate Schedule. It must also include proof of loss and how the loss occurred. The Named Insured should send the statement to Us at Our home office. When We receive the statement describing the loss, We will send him claim forms within 15 days. If he does not receive claim forms, his written statement along with the proof of loss will be used to process his claim.

### **Proof of Loss**

The Named Insured must give Us a written proof of loss within 90 days after the covered loss begins. If he is not able to give Us written proof of loss within 90 days, it will not have a bearing on this claim if proof is given to Us as soon as it is reasonably possible, except in the absence of legal capacity.

Refer to the applicable benefit section(s) for written proof of loss requirement.

### **Payment of Claim**

Benefits will be paid to the Named Insured or to the designated beneficiary on record. If no named beneficiary is on record with us all or any part of the benefits owed will be paid to the estate. In lieu of paying benefits to the estate we may at our option pay benefits to any one or more of the following surviving relatives:

- spouse;
- mother;
- father
- child or children; and
- brothers or sisters.

If there are no survivors in any of these classes, we may pay benefits for expenses on account to a Hospital or Doctor's office or other person actually supporting him or her and who is deemed by us to be entitled to payment. Any payments made in good faith will end our liability to the extent of the payment.

### **Time of Payment of Claim**

We will pay any benefits due not more than 60 days after We receive written proof of loss.

### **Questions Concerning the Named Insured's Claim**

If the Named Insured has questions concerning his claim, he can call Us at Our home office.

### **Physical Examinations**

We can require that any Covered Person be examined by a Physician of Our choice at Our expense as often as it is reasonably necessary while his claim is pending.

### **Legal Action**

We cannot be sued for benefits under the Policy until 60 days after written proof of loss has been given as required by the Policy or the expiration of 3 years from the time We receive written proof of loss.

**American Medical and Life Insurance Company  
New York, New York**

**GROUP LIMITED BENEFITS HEALTH INSURANCE CERTIFICATE SCHEDULE**

Named Insured: [John Member]  
 Certificate Schedule Number: [12345]  
 Group Policy Number: [50012]  
 Policy Holder: [Consumer Assistance Services Association]  
 Certificate Effective Date: [January 1, 2009]  
 Certificate Anniversary Date: January 1, of each year  
 Open Enrollment Period: January 1 through December 31 during each Policy Year

1. Description of Eligible Classes

- I. - All active members of [Consumer Assistance Service Association] as determined by bylaws or charter of the Association
- II. Dependents of Named Insured as defined in the Policy.

2. Eligibility Period: 365 days  
 3. Waiting Period: 0 days  
 4. Plan Type: Association  
 Member Contribution 100%  
 Voluntary

5. Coverage: [Named Insured] [Named Insured and Spouse] [Family]

6. Benefits:

<b><u>Accident Medical Benefit</u></b>	
Accident Medical Benefit Deductible	[\$100] [250] [500] per Policy Year per Covered Person
Accident Medical Benefit	100%
Accident Medical Maximum Benefit	\$5,000 per Policy Year per Covered Person
<b><u>Hospital Confinement Benefits</u></b>	
Hospital Confinement Benefit	[\$250] [500] [1,000] per day of confinement
Maximum Benefit	[30] [60] [100] days per Policy Year per Covered Person
Hospital Intensive Care Unit Confinement Benefit	[\$1,000] [2,000] per day of confinement
Maximum Benefit Period	Up to 15 days per Policy Year per Covered Person
Surgery Benefit	
Option 2:	
Maximum Benefit per Surgery	[70] [80] % RBRVS
Maximum Benefit	Unlimited
Anesthesia Benefit	
	25 % of surgical benefit.

<b><u>Doctor's Office Visit Benefits</u></b>	
Doctor's Office Benefit	[\$50] [75] per visit
Maximum Benefit	[3] [5] [10] visits per Policy Year per Covered Person
<b><u>Preventive Care Test Benefit</u></b>	
Preventive Care Test Benefit	[\$100] [200] per Test
Maximum Benefit	[2] [3] Tests per Policy Year per Covered Person
<b><u>Urgent Care/Emergency Room Benefit</u></b>	
Urgent Care/Emergency Room Benefit	[\$200] [250] per Visit
Maximum Benefit	[2] [5] Visits per Policy Year per Covered Person
<b><u>Diagnostic Tests, X-ray and Laboratory Benefit</u></b>	
Diagnostic Test Benefit	[\$100] [200] [500] per day
Maximum Benefit	[3] [5] Tests per Policy Year per Covered Person
<b><u>Ambulance Benefit</u></b>	
Ambulance Benefit	[\$100] [200] [300] per covered sickness/accident per Covered Person
Maximum Number of Benefits	Unlimited
<b><u>Mental Health Benefit</u></b>	
Mental Health Inpatient Benefit	[\$40] [50] [100] per day
Mental Health Inpatient Maximum Benefit	30 days per Policy Year per Covered Person
Mental Health Outpatient Benefit	[\$40] [50] [100] per treatment
Mental Health Outpatient Maximum Benefit	[\$1,200] [1,500] [3,000] per Policy Year per Covered Person
<b><u>Chemical Abuse and Dependence Diagnosis and Treatment Benefit</u></b>	
Chemical Abuse and Dependence Diagnosis and Treatment Benefit	[\$40] [50] [100] per day
Detoxification Maximum Benefit	7 Days of Active Treatment per Policy Year per Covered Person
Inpatient Rehabilitation Maximum Benefit	30 Days per Policy Year per Covered Person
<b><u>Accidental Death</u></b>	
Accidental Death Benefit	[\$10,000] [15,000] [20,000]

- 7 Pre-existing Condition Limitation Period 12 months following the effective date of coverage under this Policy
8. Rates: See Attached Rate Sheet
9. Rate Guarantee Period A change in premium rate will not take effect before 12 months after the policy effective date



## ARKANSAS AMENDATORY ENDORSEMENT

This amendatory endorsement is made a part of the Policy or Certificate to which it is attached and is subject to all terms and provisions of such Policy or Certificate not inconsistent herewith. This amendatory endorsement is applicable only to Insured Persons who are **residents** of the State of Arkansas on the Certificate Date and on the date the claim is incurred.

1. The "Coverage for the Named Insured's adopted child(ren)" provision in the "Eligibility and Effective Date" section is deleted in its entirety. The following shall be substituted in its place:

We will cover the Named Insured's adopted child(ren) from the moment of birth if You take physical custody of the infant upon the infant's release from the hospital and file a petition pursuant to Section 115-c of the Domestic Relations Law within sixty days of birth provided that no notice of revocation to the adoption has been filed pursuant to Section 115-b of the Domestic Relations Law and consent to the adoption has not been revoked. However, coverage of the initial hospital stay shall not be required where a natural parent has insurance coverage available for the infant's care.

A child adopted by You or Your insured Spouse will automatically become insured as a dependent. The effective date of the coverage will be the earlier of:

- the date of placement for the purpose of adoption; or
- the date on which You assume a legal obligation for total or partial support of the child.

Coverage for adopted children will be to the same extent as is provided for other covered dependent children and will include the necessary care and treatment of pre-existing medical conditions.

Coverage will continue for the adopted child unless the placement is disrupted prior to the final adoption; and

- the child is permanently removed from placement;
- the legal obligation terminates; or
- You rescind, in writing, the agreement of adoption or agreement assuming financial responsibility.

For each newborn, step child and/or adopted child, You must:

- notify Us of his birth or placement in Your residence;
- complete the required application for him; and
- pay the required premium for him, if any.

If a newborn is not enrolled within 90 days of birth coverage will be provided from the date that notice is given. Any Additional premium required should be made to the Holder within 90 days of notification of birth.

If an adopted child is not enrolled within 90 days of adoption coverage will be provided from the date that notice is given. Any Additional premium required should be made to the Holder within 90 days of notification of placement for the purposes of adoption.

2. The "Time of Payment of Claim" provision in the "How to File a Claim/Claim Provisions" section is deleted in its entirety. The following shall be substituted in its place:

We will pay any benefits due not more than 30 days after We receive written proof of loss electronically or 45 days if the claim is submitted by other means.

There are no other changes to the certificate.

This endorsement takes effect and expires concurrently with the policy or certificate to which it is attached, and is subject to all of the terms and conditions of the policy not inconsistent therewith.

In Witness Whereof, We have caused this Endorsement to be signed by

Chairman, President and CEO

Executive Vice President & Chief Compliance Officer

SERFF Tracking Number: CMPL-126096440 State: Arkansas  
 Filing Company: American Medical and Life Insurance Company State Tracking Number: 44336  
 Company Tracking Number: AMLI CHCA ASSN 3-2009  
 TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
 Product Name: AMLI CHCA ASSN 3-2009  
 Project Name/Number: AMLI CHCA ASSN 3-2009/AMLI CHCA ASSN 3-2009

## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Flesch Certification	Approved-Closed	01/07/2010
<b>Comments:</b>		
<b>Attachment:</b> READABILITY CERTIFICATION.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Application	Approved-Closed	01/07/2010
<b>Comments:</b> Members will apply for coverage with enrollment form AMLI GRP LM 2007 ENRL approved by your Department on December 7, 2006 under SERFF #AMLI-125043540.		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Bylaws	Approved-Closed	01/07/2010
<b>Comments:</b>		
<b>Attachment:</b> CONS ASSISTANCE SRVCS ASSOC BY LAWS.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Questionnaire	Approved-Closed	01/07/2010
<b>Comments:</b>		
<b>Attachment:</b> AMLI Association questionnaire-CASA.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Certification	Approved-Closed	01/07/2010
<b>Comments:</b>		

SERFF Tracking Number: CMPL-126096440 State: Arkansas  
Filing Company: American Medical and Life Insurance Company State Tracking Number: 44336  
Company Tracking Number: AMLI CHCA ASSN 3-2009  
TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
Product Name: AMLI CHCA ASSN 3-2009  
Project Name/Number: AMLI CHCA ASSN 3-2009/AMLI CHCA ASSN 3-2009

**Attachment:**

AR\_AR Certif of Compliance with Rule 19.pdf

	<b>Item Status:</b>	<b>Status</b>
<b>Satisfied - Item:</b> Authorization	Approved-Closed	<b>Date:</b> 01/07/2010
<b>Comments:</b>		
<b>Attachment:</b>		
FILING AUTHORIZATION LETTER - AMLI.pdf		

## READABILITY CERTIFICATION

**RE:** American Medical and Life Insurance Company

**NAIC #** 81418

**FEIN #** 13-2562243

This is to certify that form(s) listed below have achieved at least the minimum required score on the Flesch Reading Ease Test.

<u>Forms</u>	<u>Score</u>
AMLI GRP LM 2007 CERT IN (2/09), Certificate of Coverage	41
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**AMENDED BYLAWS  
OF  
CONSUMER ASSISTANCE SERVICES ASSOCIATION**

**ARTICLE 1.  
PURPOSES AND POWERS**

**1.01 Purposes.** The Corporation is organized and established to (1) promote the availability of benefits and services that assist and protect consumers as well as offer cost savings; (2) engage in nonpartisan research, study and analysis for the benefit of consumers seeking assistive, protective and discounted benefits and services and to publish the results of same when and if applicable; (3) prepare educational materials and conduct educational activities in support of consumers seeking knowledge about and information concerning assistive, protective and discounted benefits and services; (4) conduct and sponsor forum, lectures, debates, newsletters and similar activities concerning information about assistive, protective and discounted benefits and services; and (5) conduct any other appropriate activities permissible under the Illinois General Not-For-Profit Corporations Act.

**1.02 Powers.** The corporation shall possess all powers which a corporation may have that is organized under the Illinois Non-Profit Corporation Act (the "Act"), as the same may from time to time be amended.

**1.03 Bylaws.** These bylaws shall govern and control the internal corporate affairs of the corporation and guide the officers, directors and members of the corporation in their efforts to promote the business and objectives of the corporation.

**ARTICLE 2.  
PRINCIPAL OFFICE; REGISTERED OFFICE AND AGENT**

**2.01 Principal Office.** The principal office in the State of Illinois shall be at such place as the board of directors may from time to time designate by duly adopted resolution. The corporation may also have an office or offices at such other place or places within or without the State of Illinois as the board of directors may from time to time designate or the business of the corporation requires.

**2.02 Registered Office.** The corporation shall have and continuously maintain in Illinois a registered office which may be, but need not be, the same as its principal office. The address of the registered office will be identical with the office of the registered agent of the corporation. Such office will be continuously maintained within Illinois for the duration of the corporation. The board of directors may from time to time change the address of its registered office by duly adopted resolution and submission of the appropriate forms to the Office of the Secretary of State.

**2.03 Registered Agent.** The corporation shall have and continuously maintain in Illinois a registered agent, which agent may be an individual resident in Illinois whose business office is identical with such registered office, or a domestic corporation, whether for profit or not for profit, or a foreign corporation for profit or not for profit, authorized to transact business or to conduct its affairs in Illinois which has a business office identical with such registered office.

**2.04 Change of Registered Office or Agent.** The corporation may change its registered office or change its registered agent, or both, upon filing in the office of the Secretary of State a statement setting forth such change. The change shall be authorized by the board of directors or by an officer so authorized by the board of directors. The registered agent shall be agent of the corporation upon whom any process, notice or demand required or permitted by law to be served on the corporation may be served.

**2.05 Resignation of Registered Agent.** Any registered agent may resign; however, the corporation will not recognize the resignation of any registered agent appointed by it, or the discontinuance of any registered office, unless it receives a copy of such agent's resignation, or discontinuance of the registered office, as sent to the Office of the Secretary of State, such copy to be delivered or sent to the corporation registered or certified mail, addressed to the Principal Office of the corporation and directed to the attention of the secretary of the corporation. A copy of such notice shall be delivered or mailed no later than the date of filing of the statement with the Office of the Secretary of State; and such statement of resignation, or discontinuance of the registered office, shall be effective on the earlier of the filing by the corporation of an amendment to its annual registration statement designating a new registered agent, or registered office if discontinued, or the thirty-first (31<sup>st</sup>) day after the date on which the statement is filed.

### **ARTICLE 3. MEMBERS**

**3.01 Qualification.** Membership in the corporation shall be open to any individual consumer who is a United States citizen or has a lawful permanent residence in the United States ("Green Card"), is at least eighteen (18) years of age and has a valid Social Security Number or individual tax identification number. A member must also meet the qualifications of any class of membership. Members shall further have a shared or common interest in having a need for the education, benefits, products and/or services offered by the corporation and must subscribe to the purposes, principles and objectives of the corporation. A spouse and/or dependents of an active member may also be eligible for optional family membership benefits through the active member. The definition of "dependents" shall be set forth in the terms and conditions of the membership application or as determined by applicable state law.

**3.02 Application and Admission.** Application for membership shall be made in writing, by electronic message confirmation or by telephonic recording and shall contain such information as the corporation may require. Each application shall be accompanied by an application or activation fee and monthly dues in amounts to be determined by the board of directors. A refund policy shall also be determined by the board of directors in accordance with these bylaws and any applicable law.

**3.03 Classes of Members.** The corporation shall have the following class or classes of members, to-wit: (1) Individual Members; (2) Individual Self-Employed Independent Contractors; and (3) Sponsoring Members (to identify a specific group only). Sponsoring Members may include (a) Institutional or Corporate Members (business firm, partnership, corporation or other entity) and restaurant franchises or operators who are involved in the restaurant industry and their eligible employees who are actively at work performing all the normal duties of their job at their normal place of business, (b) Franchisee Members (a business or group of businesses authorized to distribute a franchisor's services, goods and brand pursuant to a contractual franchise agreement), (c) Trade Group/Association Members (bona fide trade, industry or professional groups or associations), and (d) Affiliated Association Members or (e) Affinity Marketing Group Members.

The designation of a class of members and the qualifications and rights of the members of each class may be changed at any time by the board of directors by amending the bylaws or as otherwise required by law. Divisions within each class of members may be created or changed at any time by resolution of the board of directors or as otherwise required by law.

**3.04 Active Member.** Any member who is not in default in the payment of dues for a period of one (1) month or more from the beginning of the period for which such dues become payable shall be an active member and shall be entitled to all of the rights, privileges and benefits provided to such members as so determined by the board of directors.

**3.05 Certificates or Cards Evidencing Membership.** The board of directors by duly adopted resolution may, but is not required, to provide for the issuance of certificates or cards evidencing membership in the corporation. Such certificates or cards may be signed by the president, vice-president or executive director and by the secretary or an assistant secretary. The name and address of each member and the date of issuance of the certificate or card shall be entered in the records of the corporation. If any certificate or card shall become lost, mutilated or destroyed, a new certificate or card may be issued upon such terms, provisions and conditions as the board of directors may determine.

**3.06 Voting Rights.** Each member of each class shall have voting rights and shall be entitled to one vote unless limited by the board of directors in accordance with the provisions of these bylaws.

**3.07 Termination of Membership.** Membership in the corporation terminates upon the death of a member. A member shall also be automatically ineligible for membership and loses all privileges, rights and benefits of the corporation when the member of any class shall be in default in the payment of dues for a period of one month from the beginning of the period from which such dues became payable, unless the board of directors, in its discretion, extends the time for payment of dues. Termination for the failure to pay dues shall be effective retroactively to the date such dues were payable and no further notice of such termination shall be required, although it may be given. Furthermore, the board of directors may expel or suspend a member pursuant to a procedure, duly adopted by the board of directors, that is fair and reasonable and carried out in good faith. The expulsion or suspension of a member, or termination of a membership, does not relieve the member from obligations the member may have to the corporation for dues, fees or charges for goods or services.

**3.08 Resignation.** Any member personally or through his duly authorized attorney-in-fact may resign by filing a written resignation with the secretary of the corporation but such resignation shall not entitle such member to any refund of dues and the member shall immediately lose all privileges and rights of the corporation.

**3.09 Reinstatement.** Upon written request signed by a former member and filed with the corporation, the board of directors may reinstate such former member to membership in the corporation upon such terms as the board of directors may deem appropriate.

**3.10 Transfer of Membership.** Membership in the corporation is not transferable or assignable.

**3.11 Dues.** The board of directors shall from time to time determine the application or activation fees and the amount of dues payable to the corporation by its members, classes of members or divisions of members. The board of directors may waive any application or activation fees or dues for members.

**3.12 Payment of Dues.** Dues shall be payable monthly or annually, in advance, or in such other manner as the board of directors may so determine. The Association reserves the right to change the membership dues or fees after thirty (30) days notice in writing or by email to the Member. A person may only enroll in one membership in the Association.

**3.13 Liability of Members.** The members shall not have ownership rights in the corporation and shall not be personally liable for the debts, liabilities or obligations of the corporation.

**ARTICLE 4.**  
**MEETINGS OF MEMBERS**

**4.01 Place of Meetings.** Meetings of members shall be held at the time and place, within or outside of the State of Illinois, stated in the notice of the meeting or in a waiver of notice.

**4.02 Annual Meeting.** An annual meeting of the members shall be held each year on a day and hour to be selected by the Board of Directors for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the board of directors fails to call the annual meeting at the designated time, a member of the corporation may demand that the meeting be held within a reasonable time. The demand must be made in writing and sent to an officer of the corporation by registered mail. If the annual meeting is not called before the 61<sup>st</sup> day after the date of demand, a member may compel the holding of such annual meeting by legal action directed against the board of directors, and each of the extraordinary writs of common law and of courts of equity are available to the member to compel the holding of the meeting. Failure to hold an annual meeting at the designated time does not result in the winding up and termination of the corporation.

**4.03 Special Meetings.** Special meetings of the members of the corporation may be called by the president, the secretary, the board of directors or by members having not less than one-tenth (1/10) of the votes entitled to be cast at such meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice of the meeting.

**4.04 Notice of Meetings.** Notice of an annual meeting is not required. The corporation may, however, provide written notice of the place, date, and time of a meeting of members of the corporation and, if the meeting is a special meeting, the purpose or purposes for which the meeting is called. The notice shall be delivered to each member entitled to vote at the meeting not later than the 10<sup>th</sup> day and not earlier than the 60<sup>th</sup> day before the date of the meeting. Notice may be delivered personally, by mail, or by facsimile or electronic message. "Mailed" is considered to be delivered on the date notice is deposited in the United States mail with postage paid in an envelope addressed to the person at the person's address as it appears on the membership records. "Transmitted by facsimile or electronic message" is considered to be delivered when the facsimile or electronic message is successfully transmitted. If there are more than 1,000 members at the time a meeting is scheduled or called, notice may be given by publication in any newspaper of general circulation in the community in which the principal office of the corporation is located.

**4.05 Quorum.** The members of the corporation holding one tenth (1/10) of the votes entitled to be cast, in person or by proxy, constitute a quorum. The vote of the majority of the votes entitled to be cast by the members present, or represented by proxy, at a meeting at which a quorum is present, shall be the act of the members, unless the vote of a greater number is required by law, the articles or the bylaws. If, however, such quorum shall not be present or represented at any meeting of the members, the members entitled to vote thereat, present in person, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the original meeting. The members present at a duly constituted meeting may continue to transact business until adjournment, despite the withdrawal of enough members to leave less than a quorum.

**4.06 Voting Of Members.** Each member, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of members, except to the extent that the voting rights of members of any class or classes are limited, enlarged or denied by the articles or the bylaws.

**4.07 Proxies by Members.** A member may vote in person or by proxy executed in writing by the member or the member's attorney-in-fact. A member can revoke his proxy in writing at anytime by sending notice of such revocation to the corporation. Any person who becomes a member shall execute an appropriate written proxy if such person desires to have any director or officer of the corporation receive notice of and vote and act on said member's behalf in regard to any such meetings of the members. A proxy is not effective for voting purposes unless the original of the proxy is filed with the secretary of the corporation at least ten (10) days before the meeting at which it is to be used.

**4.08 Meetings by Communications Equipment.** Members may participate in and hold a meeting by means of telephone conference or similar communications equipment in which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

**4.09 Action by Unanimous Written Consent.** Any action required to be or which may be taken at a meeting of the members of the corporation may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof, and then delivered to the Secretary of the corporation for inclusion in the corporate record book. Such consent shall have the same force and effect as a unanimous vote of members at a meeting, and may be stated as such in any documents filed with the Secretary of State.

## **ARTICLE 5. DIRECTORS**

**5.01 Management by Board of Directors.** The business and affairs of the corporation shall be managed by the Board of Directors who may exercise all such powers of the corporation and do all such lawful acts as are not directed or required to be exercised by the members.

**5.02 Number, Term; Election.** The Board of Directors may not have fewer than three (3) or more than nine (9) directors, and shall consist of the number set by majority vote of the Board of Directors, which may be changed from time to time by resolution of the board of directors. Each director shall hold office for a term of twelve (12) months and shall be eligible for re-election. Directors shall be elected by plurality vote. Each director elected shall hold office for the term for which elected until his or her successor shall be elected and shall qualify, or until his or her earlier death, resignation or removal.

**5.03 Qualifications of Directors.** The qualification for becoming and remaining a Director of the corporation are as follows:

- (a) directors must be residents of any state in the United States or the District of Columbia;
- (b) notwithstanding the provisions of Section 3.01, any person serving as a director of the corporation shall automatically be enrolled as an active member of the corporation;
- (c) proposed directors must be nominated by existing directors; and
- (d) directors must attend at least seventy-five (75%) percent of the annual and special meetings of the board of directors.

**5.04 Change in Number.** The number of directors may be increased or decreased from time to time by vote of a majority of the Board of Directors, but no decrease shall have the effect of shortening the term of any incumbent Director. Any directorship required to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting or at a special meeting of members called for that purpose.

**5.05 Removal; Resignation.** Any director may be removed either for or without cause at any special or annual meeting of members, by the affirmative vote of a majority in number of members present, in person or by proxy, at such meeting and entitled to vote for the election of such director if notice of intention to act upon such matter shall have been given in the notice calling such meeting. Any director may resign by giving written notice to the president or secretary. The resignation shall take effect at the time specified in the notice, or immediately if no time is specified. The acceptance of such resignation shall not be necessary to make it effective.

**5.06 Vacancies.** Any vacancies occurring in the Board of Directors for any reason may be filled by the affirmative vote of a majority of the remaining directors then in office though less than a quorum. Any director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. If there are no directors in office, then an election of directors may be held in the manner provided by law.

**5.07. First Meetings.** The first meeting of a newly elected Board shall be held without further notice immediately following the annual meeting of members, and at the same place, unless the time or place is changed by unanimous consent of the Directors then elected and serving.

**5.08 Regular Meetings.** Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.

**5.09 Special Meetings.** Special meetings of the Board of Directors may be called by the President on three days' notice to each Director. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of two directors. The purpose of any special meeting of the board of directors shall be specified in the notice of such meeting.

**5.10 Quorum; Majority Vote.** At meetings of the board of directors a majority of the number of directors shall constitute a quorum for the transaction of business; provided, however, that a quorum shall not consist of less than fifty-one percent (51%) of the entire board of directors. The act of a majority of the directors present at a meeting at which a quorum is present will be the act of the board of directors unless a greater number is required by law, the articles or the bylaws. If a quorum is not present at a meeting of the board of directors, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. The board of directors shall keep minutes of its proceedings which shall be placed in the minute book of the corporation.

**5.11 Action by Unanimous Written Consent.** Any action required to be or which may be taken at a meeting of the board of directors or any other committee of the board of directors of the corporation may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the directors, or any other committee of the board of directors as the case may be, and then delivered to the Secretary of the corporation for inclusion in the corporate record book. Such consent shall have the same force and effect as a unanimous vote of members at a meeting, and may be stated as such in any documents filed with the Secretary of State.

**5.12 Participation in Meetings by Use of Communications Equipment.** Any Director may participate in and hold a meeting of the directors by means of a conference telephone, or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

**5.13 Compensation.** By resolution of the board of directors, the directors may be paid their reasonable expenses (i.e. travel, meals, lodging and entertainment), if any, and may be paid a fixed sum for attendance at each meeting of the board of directors, or receive a stated fee as director. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefore. Members of the executive committee or of special or standing committees may, by resolution of the board of directors, be allowed like compensation for attending committee meetings.

**5.14 Minutes.** The board of directors shall keep regular minutes of its proceedings. The minutes shall be placed in the Corporate Record Book of the corporation.

**5.15 Conflicts of Interest.** Any contract or other transaction between the Corporation and one or more of its directors, or between the Corporation and any firm in which one or more of its Directors are members or employees, or in which they are interested, or between the Corporation and any corporation or association of which one or more of its Directors are shareholders, members, directors, officers or employees, or in which they are interested, shall be valid for all purposes, notwithstanding the presence of such Director or Director at the meeting of the Board of Directors of the Corporation which acts upon or in reference to such contract or transaction, and notwithstanding his or their participation in such action, if the fact of such interest shall be disclosed or known to the Board of Directors, and the Board of Directors shall, nevertheless, authorize, approve and/or ratify such contract or transaction by a vote of the majority of the Directors present, such interested Director or Directors to be counted in determining whether a quorum is present, but not to be counted in calculating a majority of such quorum necessary to carry such a vote.

**5.16 Limitation of Liability of Directors.** To the fullest extent permitted by Illinois law no governing person (director or officer) of the Corporation shall be liable to the Corporation or its members for monetary damages for an act or omission in such capacity except for liability arising out of (i) any breach of such person's duty of loyalty, if any, to the corporation or its members; (ii) acts by or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; (iii) a transaction from which such person received an improper benefit, whether or not the benefit resulted from an action taken within the scope of such person's office or position; or (iv) an act by or omission of such person for which the liability is expressly provided for by statute. The foregoing elimination of the liability to the Corporation or its members for monetary damages should not be deemed exclusive of any other rights or limitations of liability or indemnity to which a person may be entitled under any other provision of the Certificate of Formation and Bylaws of the Corporation, contract or agreement, vote of members and/or disinterested directors, or otherwise.

## **ARTICLE 6. OFFICERS**

**6.01 Officers.** The officers of the corporation shall be a president and a secretary and may include an executive vice-president as well as one or more vice-presidents (the number to be determined by the board of directors), a treasurer, or combination thereof, and such other officers, including an executive director, as may be elected in accordance with the provisions of this article. The board of directors may elect or appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority and perform such

duties in the management of the corporation as prescribed from time to time by the board of directors or as may be provided in these bylaws. Any two or more offices may be held by the same person, except for the offices of president and secretary.

**6.02 Officers to be Active Members.** Notwithstanding the provisions of Section 3.01, any person serving as an officer of the corporation shall automatically be enrolled as an active member of the corporation.

**6.03 Election and Term of Office.** The officers of the corporation shall be elected by the board of directors at the annual meeting of the board of directors for a term of twelve (12) months. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

**6.04 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors at any meeting for the unexpired portion of the term. New offices may also be created and filled by the board of directors at any such meeting. An assistant or assistants to the elected officers may be made available as necessary upon authorization by the board of directors.

**6.05 President.** The president will be the chief executive officer of the corporation and shall, subject to the control of the board of directors, supervise and control the business affairs of the corporation. The president will perform all duties incident to such office and such other duties as may be provided in these bylaws or as may be prescribed from time to time by the board of directors. The board of directors shall delegate to the president the necessary authority and responsibility for the administration of the affairs of the corporation subject only to such bylaws as may be adopted and such orders as may be issued by the board of directors relating to the operation of the corporation and long range planning. The president shall be an ex-officio member of each directorial committee of the board of directors without a vote except the executive committee on which he shall serve with a vote, or, except as otherwise provided for in these bylaws or through a resolution of the board of directors. The president shall present a report at each annual meeting of the board of directors covering the operations of the corporation during the preceding fiscal year.

**6.06 Executive Vice-President.** In the absence of the president, or in the event of his inability or refusal to act, the executive vice president, if one has been appointed, shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The executive vice president shall be the chief administrative and operating officer. He shall serve as secretary to the board of directors and cause to be prepared notices and minutes of meetings of the board. The executive vice president shall be a member of the board of directors and all committees. With the assistance of committee chairmen, he shall be responsible for the administration of all activities in accordance with the policies and regulations of the board of directors. The executive vice president shall be responsible for hiring, discharging, directing and supervising all employees.

**6.07 Vice-President.** In the absence of the president and executive vice president or in the event of their inability or refusal to act, the vice presidents, if any, in the order of their seniority, unless otherwise determined by the board of directors, shall, perform the duties of the president, and when so acting, shall have all the power of and be subject to all the restrictions upon the president. A vice president shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors.

**6.08 Treasurer.** The treasurer or assistant treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation, receive and give receipts for monies received

by the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected by the board of directors. The treasurer or assistant treasurer shall prepare and present quarterly a detailed financial statement of the financial affairs of the corporation. All of the duties, responsibilities and obligations of the treasurer or assistant treasurer may be assigned to a qualified third person or entity by written agreement; however, under such circumstances, the treasurer or assistant treasurer shall retain ultimate responsibility for such functions.

**6.09 Secretary.** The secretary or assistant secretary of the corporation shall keep the minutes of the meetings of the members, the board of directors and any committees in one or more books provided for that purpose, oversee that all notices are duly given in accordance with the provisions of these by-laws or as required by law, be custodian of the corporate records of the corporation, oversee that the seal of the corporation, if required, is affixed to all documents of the corporation, keep a register of the mailing address of each member which shall be furnished to the secretary or assistant secretary by such member, and in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the secretary or assistant secretary by the president or by the board of directors.

**6.10 Executive Director.** An executive director of the corporation may be appointed at such time as the board of directors so designates. The executive director of the corporation may be the chief administrative and operating officer of the corporation and shall be selected by and report to the board of directors, which shall determine the term of his appointment as well as his duties and functions. The executive director of the corporation shall carry out the purposes of the corporation within the framework of the Articles of Incorporation, these by-laws, corporate policies and procedures, and the general and specific assignments given to him by the board of directors. The functions of the executive director shall include, but not be limited to, the following:

- a. selection, employment, and supervision of any employees of the corporation as authorized by the president and the board of directors. All staff employed by the corporation must meet required personnel standards as set forth in the personnel policies of the corporation;
- b. coordination and implementation of planning activities according to an approved work program;
- c. attendance at all meetings of the board of directors and the Executive Committee, except as otherwise determined by the President;
- d. representing the board of directors in dealing with the public and with all governmental agencies, if required; and
- e. such other duties and responsibilities as may from time to time be delegated to him by the president or the board of directors.

**6.11 Removal of Officers.** Any officer elected or appointed to office may be removed by those persons authorized under these bylaws to elect or appoint such officers whenever in their judgment the best interests of this corporation would be served. Such removal will be without prejudice to the contractual rights, if any, of the officer so removed. Any election or appointment of an officer shall not of itself create contract rights.

**6.12 Resignation of Officer.** Any officer may resign by giving written notice to the president or the board of directors. The resignation shall take effect at the time specified therein. The acceptance of such resignation shall not be necessary to make it effective.

**6.13 Compensation.** The compensation of officers of the corporation, if any, shall be determined from time to time by the board of directors.

## **ARTICLE 7. COMMITTEES**

**7.01 Establishment of Committees.** The board of directors, by resolution duly adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two (2) or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the board of directors in the management of the corporation. The designation of such committees and the delegation of authority thereto shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed on it or him by law.

**7.02 Executive Committee.** The board of directors may designate and appoint an executive committee which shall consist of no less than three (3) members of the board of directors and who each shall serve in such capacity for one (1) year, unless the board shall determine otherwise. The executive committee shall have the authority, those, duties, and exercise those powers as such are determined from time to time by the board by resolution duly adopted and not inconsistent with these bylaws. The executive committee shall have the authority of the board between its meetings, except for that business of the corporation as can only be addressed by a majority of the board of directors at a meeting of said board. A majority of all the members of the executive committee may determine its action and fix the time and place of its meetings, unless the board shall otherwise provide. The board shall have the power at any time to change the number, powers, and members of the executive committee, to fill vacancies, and to discharge any such member of the executive committee.

**7.03 Benefits Review Committee.** The board of directors, by resolution duly adopted by a majority of the directors in office, may also designate a benefits review committee consisting of the president of the corporation and at least two (2) other persons who are selected by the board of directors. The benefits review committee shall have the responsibility for locating and reviewing potential benefit programs for the different classes of members of the corporation, and recommending such programs to the board of directors for its review, approval and adoption, if it believes it to be in the best interests of the members of the corporation to do so. A majority of all the members of the benefits review committee may determine its action and fix the time and place of its meetings, unless the board of directors shall otherwise provide. The board of directors shall have the power at any time to change the number, powers, and members of the benefits review committee, to fill vacancies, and to discharge any such member of the benefits review committee.

**7.04 Other Committees.** Other committees not having and exercising the authority of the board of directors in the management of the corporation may be designated and appointed by a resolution duly adopted by the board of directors or by the president if authorized by a resolution duly adopted by the board of directors. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the president of the corporation shall appoint the members thereof. Any member may be removed by the person or persons authorized to appoint such member whenever in his or their judgment the best interests of the corporation will be served by such removal. At least one member of each committee shall be a director of the corporation. A majority of all members of such a committee may determine its action and fix the time and place of its meetings, unless the board of directors shall otherwise provide. The board of directors shall have the power at any time to change the number, powers and members of such a committee, to fill vacancies and to discharge any member of such a committee.

**7.05 Term of Office.** Each member of a committee shall continue as such until the next annual meeting of the board of directors, unless the committee shall be sooner terminated, or unless such

member is removed from such committee or resigns. A member of any committee shall be eligible for re-appointment.

**7.06 Chairman.** One member of each committee shall be designated the chairman of such committee by the board of directors unless otherwise set forth in these bylaws.

**7.07 Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of original appointments.

**7.08 Quorum.** Unless provided in the resolution duly adopted by the board of directors designating a committee, a majority of the entire committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

## **ARTICLE 8. CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

**8.01 Contracts.** The board of directors may authorize the officers or agents of the corporation to enter into contracts or to execute and deliver documents in the name of and on behalf of the corporation. Such authority shall be confined to specific instances. Such contracts may be for any purpose deemed by the board of directors to be appropriate, including the contracting with a third party for any or all management, operational, administrative, marketing, providing of member benefits and other services and functions necessary for the corporation to achieve its purpose.

**8.02 Checks, Drafts and Other Orders for Payment.** All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation, and in such manner as shall from time to time be determined by duly adopted resolution of the board of directors. However, such responsibility may be assigned to a qualified third person or entity by written agreement.

**8.03 Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

**8.04 Gifts.** The board of directors may accept on behalf of the corporation any contributions, gifts, bequests, or devise for the general purpose or for any special purpose of the corporation.

**8.05 Loans.** The corporation may, upon authorization of the board of directors, from time to time accept or negotiate loans of financial assistance to be repaid at such time as the corporation is reasonably able to repay.

## **ARTICLE 9. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

**9.01 Indemnification of Directors and Officers.** Except as otherwise expressly provided by law or these bylaws, each director or officer, whether or not then in office, shall be indemnified by the Corporation against all expenses reasonably incurred by or imposed upon him in connection with or arising out of any proceeding in which he may be involved by reason of his being or having been a director or officer of the Corporation. The foregoing right of indemnification shall not be exclusive of other rights to which any director or officer may be entitled as a matter of law.

**9.02 Power to Indemnify.** The power to indemnify applies only if it is determined that the director or officer (a) acted in good faith, (b) reasonably believed that his conduct in his official capacity was in the corporation's best interests, and in all other cases, that his conduct was at least not opposed to the corporation's best interests, and (c) in the case of any criminal proceedings, did not have a reasonable cause to believe his conduct was unlawful.

**9.03 Limitations.** If the director or officer is found liable to the corporation or is found liable because he improperly received a personal benefit, the indemnification in Section 9.01 (a) is limited to reasonable expenses (which shall not include a judgment, a penalty, a fine or tax) actually incurred by the person in connection with the proceeding and (b) may not be made in relation to a proceeding in which the person has been found liable for (i) willful or intentional misconduct in the performance of his duty to the corporation, (ii) breach of his duty of loyalty owed to the corporation or (iii) an act or omission not committed in good faith that constitutes a breach of duty owed by the person to the corporation.

**9.04 Proceeding.** "Proceeding" means a threatened, pending or completed action or other proceeding, whether civil, criminal, administrative, arbitrative or investigative, an appeal of such an action or proceeding and an inquiry or investigation that could lead to such an action or proceeding.

**9.05 Expenses.** "Expenses" includes court costs, a judgment (including an arbitration award), a penalty, a settlement, a fine, and an excise or similar tax, including an excise tax assessed against the person with respect to an employee benefit plan and reasonable attorneys' fees that are reasonable and actually incurred by the person in connection with a proceeding.

**9.06 Determination of Indemnification.** A determination of indemnification under Section 9.01 (unless ordered by a court of competent jurisdiction) must be made:

1. by a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding;
2. If such a quorum cannot be obtained, by a majority vote of a committee of the board of directors, designated to act in the matter by a majority vote of all directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding;
3. by special legal counsel selected by the board of directors or a committee of the board by vote as set forth in subsection 1 or 2 of this section; or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors; or
4. by the members in a vote that excludes the vote of directors who are named defendants or respondents in the proceeding.

**9.07 Mandatory Indemnification.** The corporation shall indemnify a director or officer against reasonable expenses actually incurred by him in connection with a proceeding in which he is a named defendant or respondent because he is or was a director or officer if he has been wholly successful, on the merits or otherwise, in the defense of the proceeding.

**9.08 Advancement of Reasonable Expenses.** Reasonable expenses incurred by a director or officer who was, is, or is threatened to be made a named defendant or respondent in a proceeding shall be paid or reimbursed by the corporation, in advance of the final disposition of the proceeding and without the determination specified in Section 9.06, after the corporation receives a written affirmation by the director or officer of his good faith that he has met the standard of conduct necessary for indemnification

under this article and a written undertaking by or on behalf of the director or officer to repay the amount paid or reimbursed if it is ultimately determined that he has not met that standard or if it is ultimately determined that indemnification of the director or officer against expenses incurred by him in connection with that proceeding is prohibited under this article. The written undertaking must be an unlimited general obligation of the director or officer but need not be secured. It may be accepted without reference to financial ability to make repayment.

**9.09 Payment as Witness.** The corporation shall pay or reimburse expenses incurred by a director, officer or employee in connection with his appearance as a witness or other participation in a proceeding by or against the corporation at a time when he is not a named defendant or respondent in the proceeding.

**9.10 Insurance.** The corporation may purchase and maintain insurance or enter into any other arrangement on behalf of any person who is or was a director, officer, employee or agent of the corporation or who is or was serving at the request of the corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, employee benefit plan, other enterprise, or other entity, against any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a person, whether or not the corporation would have the power to indemnify him against that liability under this article. Without limiting the power of the corporation to procure or maintain any kind of other arrangement, the corporation may, for the benefit of persons indemnified by the corporation, (a) create a trust fund; (b) establish any form of self-insurance; (c) secure its indemnity obligation by grant of a security interest or other lien on the assets of the corporation; or (d) establish a letter of credit, guaranty, or surety arrangement.

**9.11 Exclusions.** No indemnification by the corporation shall apply to (a) any claim arising out of bodily injury to, or sickness, disease or death of any person, or damage to or destruction of any property including the loss of use thereof, (b) any claim arising out of breach of fiduciary duty or obligation in connection with any employee welfare benefit plan or retirement plan, (c) any cross-claim or counterclaim brought by one director and/or officer against another director and/or officer, (d) any claim arising out of failure to effect or maintain any insurance or bond, (e) any claim arising out of acts of a knowingly discriminatory nature, (f) any claim arising out of a violation of the responsibilities, obligations or duties imposed by Internal Revenue Code of 1986, as amended, or similar statutory law of any state or other jurisdiction therein, or (h) any act committed by a director or officer prior to taking office.

**9.12 Notice.** A director or officer shall, as a condition precedent to indemnification hereunder, give written notice to the corporation as soon as practicable of any claim made against him. The director or officer shall promptly forward to the corporation any demand, notice or summons received by the director or officer. Notice given by or on behalf of the director or officer to any authorized representative of the corporation, with particulars sufficient to identify the director or officer, shall be deemed notice to the corporation.

**9.13 Jurisdiction.** The indemnification hereunder only applies to acts committed by and suits brought against a director or officer in the United States of America, its territories or possessions or Canada.

**9.14 Cooperation.** The director or officer shall cooperate with the corporation and, upon the corporation's request, assist in making settlements and in the conduct of suits, including arbitration proceedings. The director or officer shall attend hearings, trials and depositions and shall assist in securing and giving evidence and obtain the attendance of witnesses. The director or officer shall not,

except at his own cost, voluntarily make any payment, assume any obligation or incur any expenses in any such proceedings.

**9.15 Liability.** No action shall lie against the corporation unless, as a condition precedent thereto, the director or officer shall have fully complied with all the terms, provisions and conditions of this entire article nor until the amount of the obligation to pay shall have been finally determined either by judgment against the director or officer after actual trial, arbitration determination, or by written agreement of the director or officer and the claimant subject to the prior written consent of the corporation. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover against the corporation. No person or organization shall have the right to join the corporation as a party to any action against the director or officer to determine the director's or officer's liability, nor shall the corporation be interpleaded by the director or officer or their legal representative.

**9.16 Subrogation.** In the event of any payment under this article, the corporation shall be subrogated to all the director's or officer's rights of recovery therefore against any person or organization, and the director or officer shall execute and deliver all instruments and papers and do whatever else is necessary to secure such rights. Any amount recovered in excess of the corporation's total payment shall be restored to the director or officer, less the cost to the corporation of recovery. This indemnification as proved shall apply only as excess over any valid and collectible insurance the director or officer may have.

**9.17 Effect of Amendment.** No amendment, modification or repeal of the articles on indemnification and insurance hereof shall in any manner terminate, reduce or impair the right of any past, present or future director or officer of the corporation, nor the obligation of the corporation to indemnify such directors, under and in accordance with the provisions of these articles as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

**9.18 Surety Bond.** Such officers and agents of the corporation as the president, board of directors or the executive committee may designate from time to time, may be bonded for the faithful performance of their duties to the corporation and for the restoration to the corporation, in case of their death, resignation, retirement, disqualification or removal from office, of all books, papers, vouchers, money and other property of whatever kind in their possession or under their control belonging to the corporation, in such amounts and by such surety companies as the president, board of directors or the executive committee may determine. The premiums on such surety bonds shall be paid by the corporation and the bonds so furnished shall be in the custody of the secretary of the corporation.

## **ARTICLE 10. PROHIBITED ACTS**

**10.01 Dividends Prohibited.** A dividend may not be paid to, and no part of the income of the corporation may be distributed to, the corporation's members, directors or officers.

**10.02 Authorized Benefits and Distributions.** The corporation may pay compensation in a reasonable amount to the members, directors or officers for services rendered and may confer benefits on its members in conformity with the corporation's purposes.

**10.03 Loans To Directors Prohibited.** No loans shall be made by the corporation to its directors.

**ARTICLE 11.**  
**DISSOLUTION AND DISTRIBUTION OF ASSETS**

**11.01 Voluntary Dissolution.** The corporation may dissolve and commence to wind up its affairs. The board of directors shall adopt a resolution recommending that the corporation be dissolved and directing that the question of such dissolution be submitted to a vote at an annual or special meeting of members having voting rights. A resolution to dissolve the corporation shall be adopted upon receiving at least two-thirds (2/3) of the votes which members present at such meeting in person or by proxy are entitled to cast. Upon the adoption of such resolution by the members, the corporation shall cease to conduct its affairs except in so far as may be necessary for the winding up thereof, shall immediately cause a notice of the proposed dissolution to be mailed to each known creditor of and claimant against the corporation and shall proceed to collect its assets and apply and distribute them as provided in these bylaws or as allowed by law.

**11.02 Application and Distribution of Assets.** If in the process of dissolution, all valid and legally enforceable liabilities and obligations of the corporation shall be paid, satisfied and discharged. In case the property and assets are not sufficient to satisfy or discharge all of the corporation's valid and legally enforceable liabilities and obligations, the corporation shall apply them so far as they will go to the just and equitable payment of the liabilities and obligations. Assets held by the corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements. The remaining assets of the corporation shall be distributed only for tax exempt purposes to one or more organizations which are exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding section of any future federal tax code, or which are described in Section 170(c)(1) or (2), Internal Revenue Code, under a plan of distribution adopted pursuant to applicable law. Any remaining assets not distributed under the plan of distribution shall be disposed of by a district court of the county in which corporation's principal office is located exclusively to one or more exempt organizations described above. Any distribution by the court shall be made in such manner as, in the judgment of the court, will best accomplish the general purposes for which the corporation was organized.

**ARTICLE 12.**  
**GENERAL PROVISIONS**

**12.01 Fiscal Year.** The fiscal year of the corporation shall begin the first day of January and end on the last day of December in each year.

**12.02 Seal.** The corporate seal shall be in such form as may be prescribed by the board of directors. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

**12.03 Books and Records.** The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors and committees having any authority of the board of directors and shall keep at its principal office a record of the names and addresses of its members entitled to vote. A member of the corporation, on written demand stating the purpose of the demand, has the right to examine and copy, in person or by agent, accountant or attorney, at any reasonable time during normal business hours, for any proper purpose, the books and records of the corporation relevant to that purpose, at the expense of the member. However, since membership information of the corporation is a valuable and proprietary asset of the corporation, such information may not be given or sold to, or be copied by, any member or his agent or attorney. The corporation may be audited annually by certified public accountants selected by the board of directors.

**12.04 Amendment of Articles of Incorporation.** A proposed amendment to the articles of incorporation of the corporation shall be adopted at a special or annual meeting of members called for

such purpose, upon receiving at least two-thirds (2/3) of the votes which members present at such meeting in person or by proxy are entitled to cast at which a quorum is present.

**12.05 Amendment of Bylaws.** The bylaws may be altered, amended or repealed or new bylaws may be adopted upon receiving a vote of a majority of the board of directors present in person or by proxy at a special or annual meeting at which a quorum is present.

**12.06 Waiver of Notice.** Notice of a meeting is not required to be given to a member, director or member of a committee if the person entitled to notice signs a written waiver of notice of the meeting, regardless of whether the waiver is signed before or after the time of the meeting. Attendance at a meeting constitutes a waiver of notice of such meeting, unless the person participates in or attends the meeting solely to object to the transaction of business at the meeting on the ground that the meeting was not lawfully called or convened.

**12.07 Governing Law.** These bylaws shall be construed under and in accordance with the laws of the State of Illinois.

**12.08 Construction.** The gender of all words used in these bylaws includes the masculine, feminine, and neuter. Headings of all articles and sections are for reference purposes only and shall not constitute substantive matter to be considered in construing the terms of these bylaws.

**12.09 Counterparts.** These bylaws may be executed in any number of counterparts with the same effect as if all signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

**12.10 Procedures.** Parliamentary procedures for all meetings shall be conducted in accordance with the latest revised edition of Robert's Rules of Order, unless otherwise inconsistent with these bylaws or by resolution of the board of directors.

#### CERTIFICATE OF SECRETARY

The undersigned, being the duly elected Assistant Secretary of the Corporation, hereby certifies that the foregoing Amended Bylaws were duly adopted, approved, authorized and ratified by the unanimous written consent of the Board of Directors of the Corporation and the same do now constitute the Amended Bylaws of the Corporation.

Dated and Effective this 8th day of August, 2008.

  
Jerry D. Clark  
Title: Assistant Secretary

# AMERICAN MEDICAL AND LIFE INSURANCE COMPANY



## Strategic Partner Questionnaire and Profile

# Strategic Partner Questionnaire and Profile

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# Strategic Partner Questionnaire and Profile

## General Information

- 1) Name of firm, address, main telephone, and web page. **Response:** Consumer Assistance Services Association, 4929 West Royal Lane, 1<sup>st</sup> Floor, Irving, Texas 75063, telephone: 972-915-4800; web address: www.casa-association.com.
- 2) Please describe your business (Association, Healthplan, PPO, DMPO, MGA, MGU, General Agency, Third Party Administrator, Independent Marketing Organization, etc). List all that apply **Response:** Not-for-Profit Association.
- 3) Date your organization was established and State of Incorporation **Response:** January 24, 2001; Illinois.
- 4) Type of Organization (i.e., S-Corp., C-Corp, Limited Liability Co, Not for Profit, etc.) **Response:** Not-for-Profit Association.
- 5) Please provide a brief history of your company. **Response:** Association was incorporated January 24, 2001. Membership in the Association has increased annually from approximately 1,000 members in 2003 to its current membership exceeding 50,000 members. Association is licensed to do business in 48 states.
- 6) In the past five years has your organization been involved in a merger or acquisition? If yes, please describe including any change in ownership? If yes, please describe. **Response:** No.
- 7) In the last 10 years, has your business had a name change, or operated under a DBA or assumed name (presently or in the past). If yes, provide prior name(s). **Response:** Yes. Originally incorporated as E. Commerce. Com Association, January 24, 2001. Name changed to Direct Medical Benefit Association, May 19, 2003. Name changed to Consumer Assistance Services Association, January 28, 2004.
- 8) Please provide a summary of your company's three to five year strategy. **Response:** Association will continue to grow its member base and improve its benefit offerings to new and existing members.
- 9) Identify the Ownership of Firm and identify the % of ownership for each Owner. **Response:** Not Applicable – Not-for-Profit, non-stock corporation.
- 10) Principal Contact and Title. **Response:** Jerry Clark. Assistant Secretary
- 11) List names and titles and years of service and provide bios of the firm's officers. **Response:** The President's office is currently vacant; Paul C. Johnson is Vice President; Thomas H. Welch is Secretary/Treasurer; and Jerry D. Clark is Assistant Secretary. Biographical affidavits will be submitted under separate cover if required.
- 12) Please list the names and years of service and provide bios of the firm's Board of Directors. **Response:** Paul C. Johnson, nine months and Thomas H. Welch, three (3) months. Biographical affidavits will be submitted under separate cover if required. The Company is currently seeking a third director.
- 13) Does your firm or any of its officers, directors, or owners own an interest in any insurance or reinsurance carrier (domestic, international, offshore or captive)? If yes, indicate the entity in which there is ownership, its domicile, the % owned and by whom. **Response:** No.
- 14) List any other companies in related industries for whom any officer, director, or owner has any financial interest (i.e., PPO, HMO, TPA, brokerage operations, etc.). Indicate the entity in which there is ownership, its domicile, the % owned and by whom. **Response:** None

## Strategic Partner Questionnaire and Profile

- 15) List any other companies/organization affiliated with yours. Include subsidiaries or firms where your company has a greater than 5% interest. Provide a company organization/ structure chart outlining the relationships. **Response:** None.
- 16) Are there any pending or threatened legal proceedings (civil or criminal) to which your organization is a party? If yes, please explain. **Response:** No.
- 17) Describe any lawsuits or arbitrations or disputes that have been resolved in the past five (5) years. **Response:** None.
- 18) Has any officer, director or owner been convicted of or pled no contest to any felony or been subject to a civil judgment or settlement relating to fraud, misrepresentation or dishonesty? If, yes please provide details. **Response:** No.
- 19) Have any of the principals in your firm or any of your employees ever been accused or convicted of mishandling or misappropriating any company funds or had a lawsuit or Insurance Department complaint brought against them? If yes, please give details. **Response:** No.
- 20) Are you audited annually by an outside independent auditor? If yes, provide name and address of audit firm, contact name and telephone number. Please provide the last three years' financial statements and a copy of the SAS 70 Type II report. **Response:** No. Not-for-Profit Association. No financial statements.
- 21) Please provide a summary of your current financial condition and outlook. **Response:** Not applicable. Not-for-Profit Association.
- 22) How is your business regulated? Please provide all copies of the relevant license(s). **Response:** Regulated by the Secretaries of State in the states where Association is licensed to do business and by state Insurance Departments who have regulatory authority to regulate Association which have been issued group insurance policies. State Certificates of Authorities are attached.
- 23) Is your business rated or accredited by any outside entity (Better Business Bureau, D&B, Best, etc)? If yes, please provide rating entity and current status. **Response:** No.
- 24) Do you carry a fiduciary liability policy? If yes, please provide Name of Carrier Policy Number Limit of Liability, Term **Response:** No.
- 25) Do you carry an E & O or fidelity bond? If yes, please provide: Name of Carrier Policy Number, Limit of Liability Term **Response:** No.
- 26) Has the firm or any predecessor company ever filed for bankruptcy? **Response:** No.
- 27) Have the owners, officers, or directors of the firm ever filed for bankruptcy? **Response:** No
- 28) How many people does your organization employ? **Response:** None directly. Administrative duties are preformed by Lifeguard Benefit Services, Inc. through an Administrative Agreement.
- 29) Provide these details on your current book of business (# of cases, covered lives and premium):
- a) Fully Insured
  - b) Other Partially Insured

## Strategic Partner Questionnaire and Profile

- c) Self-Insured - None
- d) MET, Associations or Unions

Product	Lives	Annual Premium
Insured RX	1246	\$190,540
Limited Medical Plans	2732	\$1,925,786
Emergency Helicopter	55,744	\$92,982
Insured Dental	3927	\$509,902
Acc Med/AD&D/ADI	3095	\$134,451
Critical Illness	3423	\$299,877

30) Please list the carriers with whom you currently do business. Include the company name, date of approval and approximate book of business (premium, cases and covered lives). **Response:** The United States Life Insurance Company in the City of New York, Bankers Fidelity Life Insurance Company, Chesapeake Life Insurance Company, Market Insurance Company, National Union Fire Insurance Company of Pittsburg, PA (AIG), Fidelity Security Life, and ACE American Insurance Company.

31) Does your firm administer/support fully-insured plans? **Response:** No. All services are contracted to be performed by third parties.

32) What services are you contracted to provide for the carriers you represent? If checked, please note the carrier(s). Please note if any of these services are outsourced and list the vendor(s): **Response:** None directly. All services are contracted to be performed by third parties.

- a) Marketing/Sales Support
- b) Product Development
- c) Underwriting
- d) Compliance
- e) Premium Administration
- f) Claim Administration
- g) Customer Service
- h) Contract Issuance
- i) Marketing Materials Fulfillment
- j) Agent Appointment
- k) Commission Payments
- l) PPO Contracting

33) Do you have binding authority for any of the Carriers named above? If "Yes", please indicate which carriers. **Response:** No



## Strategic Partner Questionnaire and Profile

- 34) Have any of the carriers you represented in the past five years ceased doing business with you or placed any restrictions on the service you provide? If yes, please provide relevant details. **Response:** No.
- 35) Have you been audited or had a market conduct examination in the last three years by any carrier, third party, or state insurance department. If yes, provide copies of the audit reports provided by each party that has audited your firm over the last three years. **Response:** No.
- 36) Do you have a fully documented and tested disaster recovery plan in place? If yes, please provide a copy. **Response:** Development of a disaster recovery plan is in process.
- 37) Please provide the name, title, location, telephone number, and email address for all members of your team who will have regular interaction with AMLI. If appropriate, please distinguish between the individual who will have day-to-day account responsibility versus ultimate responsibility for overseeing the account. **Response:** Jerry Clark, Assistant Secretary, 4929 West Royal Lane, 1<sup>st</sup> Floor, Irving, TX 75063; telephone: 972-915-4800; e-mail address: jclark@letinc.com.
- 38) Who will be responsible for interacting with AMLI on the following issues as applicable?
- a) Overall Relationship Manager **Response:** Jerry Clark
  - b) Compliance, Regulations, and Government Relations **Response:** Jerry Clark
  - c) Customer complaints and grievances **Response:** Jerry Clark
  - d) Finance/Treasury **Response:** Thomas Welch
  - e) Operations/IT **Response:** Rocky Williams; Gaston Fouche
  - f) Marketing, including program/product development, communications, marketing materials and fulfillment. **Response:** Rocky Williams
  - g) Sales and Distribution, including agent appointment, licensure, training, and commissions. **Response:** Rocky Williams
  - h) Implementation **Response:** Rocky Williams
- 39) If a dedicated resource is assigned, do you encourage AMLI to contact them directly or work through client services/account management? If you do not have dedicated individuals in these areas, how will AMLI access these functions? **Response:** Contact Rocky Williams.
- 40) How has your firm complied with the Gramm-Leach Bliley Act on Privacy? Timothy's Law for NY Clientele? HIPAA? **Response:** Written HIPAA compliance and Privacy policies. See attached.
- 41) Do you have in-house counsel on staff? **Response:** No.
- 42) How does your organization handle compliance responsibilities? **Response:** Compliance Officer/outside legal counsel.
- 43) How do you track measure and track customer satisfaction? Include details on surveys, complaint rates, etc. Provide copy of most recent survey tool and all indicator results, actual versus goal. **Response:** Customer complaints and response time to telephone inquiries are monitored and complaint logs and response time charts are maintained. All member telephone calls between Lifeguard and members are

## Strategic Partner Questionnaire and Profile

recorded and reviewed periodically by management personnel for customer satisfaction and compliance with regulatory and company requirements.

- 44) Describe procedures for handling complaints from insureds, insureds' representatives and State Insurance Departments? **Response:** See attached complaint procedure.
- 45) Have you received any insurance department complaints in the past five (5) years? If yes, please describe **Response:** None.
- 46) Describe your systems operating environment including details on back up procedures, maintenance, version updates, testing and dedicated IT resources. **Response:** See Question #48
- 47) What was your system down time last year? **Response:** None, other than normal maintenance
- 48) As applicable, list the software packages or data bases used by your company for each of the following business applications. Note the version and version date. Provide the information captured in each of the above listed programs or provide screen shots of file components. **Response:** All other functions are provided by Lifeguard Integrated Software Application (LISA). System documentation and capabilities are available in our offices after signing the non-disclosure agreement.
- a) Financials – Quicks Books
  - b) Premium Accounting
  - c) Enrollment/Eligibility
  - d) Marketing Materials Fulfillment including Policy/Certificate Issue
  - e) Commission Payment
  - f) Vendor Payment
  - g) Agent Licensing
  - h) Claims
  - i) Customer Service
  - j) Quote Log
- 49) Can Data be extracted from system? **Response:** Yes If so, please describe any limitations and note the file formats available for download (Excel, ASCII, CSV, etc). **Response:** Data can be extracted in a variety of forms to meet vendor requirements.
- 50) If applicable, comment on the following system integration points: **Response:** See Question #48
- a) How is the premium accounting system integrated with the eligibility & claim system?
  - b) How is the eligibility system integrated with the claim system?
  - c) How does the premium system integrate with the Agent Commission system?

## Strategic Partner Questionnaire and Profile

51) Are you planning any major systems changes in the next 24 months? **Response:** No Please describe in detail noting steps that will be taken to mitigate business disruption risks. **Response:** No.

52) Please provide 5 references (customers, agents, financial institutions, vendors, etc) that can attest to your firm's ability to conduct business: **Response:** Lee Stokes, Matt Lievens, Gary Helm, Heather Keller & Levi Smith

- a) Is highly ethical
- b) Will be in full compliance with all federal and state regulations
- c) Is financially secure
- d) Can effectively and efficiently execute all elements under your purview.

# Strategic Partner Questionnaire and Profile

## Association Profile

- 1) Please provide the following: **Response:** Provided as requested. Please see attached.
  - a) Association By Laws
  - b) Association Charter
  - c) Association endorsement letter for proposed program
  - d) Meeting minutes for last two years.
  - e) Standard Membership agreement
- 2) How many active members does the Association have currently? Provide a history of the enrollment levels over the last 5 years. **Response:** Currently -50,000+; 2007 – 27,774; 2006 – 15,498; 2005 – 16,742; 2004 – 7,112.
- 3) What services and products are (insurance and non insurance) are currently marketed through the Association? Please note the product, vendor, year initiated and last 3 year's revenue, membership results. **Response:** Limited benefit insurance for accidental injury, death and disability; limited benefit insurance coverage for critical illness, dental, vision, prescription drugs, doctor's office visits, surgery, and hospital confinement indemnity. Discounts through certain vendors for automotive services, car & truck buying and leasing, car rental, debt assistance and collection, fitness and health supplies, grocery savings coupons, hotel & motel savings programs, and other such lifestyle savings programs.
- 4) Does the Association receive marketing fees or commissions on any goods and products sold to the membership? If yes, please detail the product, vendor, and terms. **Response:** No
- 5) What is the cost to a member to belong to the Association? What are the terms of membership? **Response:** Association dues are variable based upon the level of membership selected by the member. Attached is a copy of the "Member Terms & Conditions".
- 6) How are Association fees billed to the membership? **Response:** Association dues are included in the billing for the Discount Medical Plan purchased by the member.
- 7) Does the Association have any reciprocal or affiliated relationships with any other Association? If yes, please provide details on the terms and conditions. Also provide the names, addresses, and web sites and primary contact information as applicable. **Response:** Yes, AIG Trust, Consumer Alliance USA, and Ameri-Benefit Plans.
- 8) Would such affiliations be party to the program envisioned with AMLI? If yes, please detail how the relationship will work. **Response:** No
- 9) Over the last 10 years, has any insurance programs been marketed to the membership, but then lapsed? Provide details in terms of the product, vendor/carrier, dates, approximate book of business and reasons for lapse/termination. **Response:** No

# Strategic Partner Questionnaire and Profile

## Attestation and Certification

I HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF THE ABOVE INFORMATION IS CORRECT. I UNDERSTAND THAT AS A MATTER OF PROCEDURE A ROUTINE INQUIRY MAY BE MADE OF ANY OR ALL OF THE INDIVIDUALS AND FIRMS NOTED ABOVE AS REFERENCES IN ORDER TO VALIDATE MY FIRM'S QUALIFICATIONS.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: Jerry D. Clark

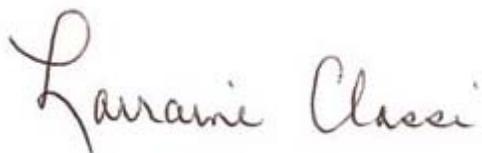
Title: Assistant Secretary

## Certificate of Compliance with Arkansas Rule and Regulation 19

Insurer: American Medical and Life Insurance Company

Form		
Number(s)	AMLI GRP LM 2007 CERT	Certificate of Coverage
:	AMLI GRP LM 2007 SCHED	Group Limited Benefits Health Insurance Certificate Schedule
	GRP LM 2007-AE-AR-(11/08)	Arkansas Amendatory Endorsement

I hereby certify that the filing above meets all applicable Arkansas requirements including the requirements of Rule and Regulation 19.



\_\_\_\_\_  
Signature of Company Officer

Lorraine Classi

\_\_\_\_\_  
Name

Executive VP

\_\_\_\_\_  
Title

12-14-2009

\_\_\_\_\_  
Date



8 West 38th Street · Suite 1002  
New York, NY 10018

**Lorraine Classi**  
CHIEF COMPLIANCE OFFICER  
646.223.9300 ext. 801  
TOLL FREE 866.691.9353  
FAX 212.354.9089  
lclassi@usamli.com  
www.usamli.com

February 12, 2009

NAIC Company Code: 81418

Re: Policies and Related Forms

To: All Departments of Insurance

American Medical and Life Insurance Company hereby authorized Compliance Research Services, LLC to represent us in the submission of the above-referenced forms and to negotiate with the insurance departments for their approval.

Sincerely,

A handwritten signature in cursive script that reads 'L. Classi'.

Lorraine Classi  
Chief Compliance Office