

SERFF Tracking Number: RNIC-126922905 State: Arkansas
Filing Company: Reserve National Insurance Company State Tracking Number: 47501
Company Tracking Number:
TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
Product Name: HDI-SRG-1 Surgery Benefit Rider
Project Name/Number: HDI-SRG-1 Surgery Benefit Rider/

Filing at a Glance

Company: Reserve National Insurance Company

Product Name: HDI-SRG-1 Surgery Benefit Rider SERFF Tr Num: RNIC-126922905 State: Arkansas

TOI: H14I Individual Health - Hospital Indemnity SERFF Status: Closed-Approved-Closed State Tr Num: 47501

Sub-TOI: H14I.000 Health - Hospital Indemnity Co Tr Num: State Status: Approved-Closed
Filing Type: Form/Rate Reviewer(s): Rosalind Minor

Authors: Kyle Conrad, Brenda Ingram, Misty Anglin Disposition Date: 12/16/2010

Date Submitted: 12/09/2010 Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name: HDI-SRG-1 Surgery Benefit Rider

Project Number:

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 12/16/2010

Deemer Date:

Submitted By: Brenda Ingram

Filing Description:

Ms. Rosalind D. Minor

Certified Rate and Form Analyst

Life and Health Division

Arkansas Insurance Department

1200 West Third Street

Little Rock, AR 72201-1904

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed: 12/16/2010

Created By: Brenda Ingram

Corresponding Filing Tracking Number:

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RE: Reserve National Insurance Company - NAIC # 68462; FEIN# 73-0661453
Form HDI-SRG-1 – Surgery Benefit Rider
Form OC HDI AR (1/11) – Outline of Coverage

Dear Ms. Minor:

We are submitting the above-referenced forms, which we request you consider for approval. This is a new filing not previously submitted.

Form HDI-SRG-1 is an optional benefit rider that will be available with Hospital Confinement Indemnity Policy Form HDI, which was previously approved by your office. Form HDI-SRG-1 provides fixed indemnity benefits for surgery. This benefit will be available in “units,” which will be selected by the applicant at the time of application. The amounts on the Schedule of Surgical Operations submitted with Form HDI-SRG-1 reflect one “unit.” For two units, the amounts on the Schedule of Surgical Operations will be multiplied by two; for three units, the amounts on the Schedule of Surgical Operations will be multiplied by three; etc.

Also enclosed is Form OC HDI AR (1/11), which is a revision of the previously-approved outline of coverage for Form HDI. The only change to the previously-approved outline is the availability of Form HDI-SRG-1.

The rates for Form HDI-SRG-1 and a supporting actuarial memorandum are also enclosed.

Please furnish us with evidence of your approval.

Thank you for your consideration. If there are any questions, you may contact me by telephone at (800) 874-1431, by fax at (405) 840-3426 or by e-mail at kconrad@unitrin.com.

Sincerely,

Kyle D. Conrad
Senior Vice President
and Associate Corporate Counsel

Company and Contact

Filing Contact Information

Kyle Conrad, Vice President & Associate Corporate Counsel
6100 N. W. Grand Blvd
kconrad@unitrin.com
800-874-1431 [Phone] 549 [Ext]

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Oklahoma City, OK 73118

Filing Company Information

Reserve National Insurance Company	CoCode: 68462	State of Domicile: Oklahoma
6100 N.W. Grand Boulevard	Group Code: 215	Company Type: Life and Health
Oklahoma City, OK 73118	Group Name: Reserve National	State ID Number:
(405) 848-7931 ext. 549[Phone]	FEIN Number: 73-0661453	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	50.00 per form
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Reserve National Insurance Company	\$100.00	12/09/2010	42793995

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	12/16/2010	12/16/2010

SERFF Tracking Number: *RNIC-126922905* *State:* *Arkansas*
Filing Company: *Reserve National Insurance Company* *State Tracking Number:* *47501*
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Product Name: *HDI-SRG-1 Surgery Benefit Rider*
Project Name/Number: *HDI-SRG-1 Surgery Benefit Rider/*

Disposition

Disposition Date: 12/16/2010

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	Health - Actuarial Justification	Approved-Closed	Yes
Supporting Document	Outline of Coverage	Approved-Closed	Yes
Supporting Document	HDI-SRG-1 Explanation of Variable Text	Approved-Closed	Yes
Form	Surgery Benefit Rider	Approved-Closed	Yes
Form	Outline of Coverage	Approved-Closed	Yes
Rate	Rate Sheets	Approved-Closed	Yes

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Form Schedule

Lead Form Number:

Schedule Item	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed 12/16/2010	HDI-SRG-1	Policy/Cont ract/Fratern al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Surgery Benefit Rider	Initial		50.541	HDI-SRG-1.pdf
Approved-Closed 12/16/2010	OC HDI AR (1/11)	Outline of Coverage	Outline of Coverage	Revised	Replaced Form #: OC HDI AR (4/09) Previous Filing #:		OC HDI AR 01.11.pdf

RESERVE NATIONAL INSURANCE COMPANY
OF OKLAHOMA CITY, OKLAHOMA

SURGERY BENEFIT RIDER

In consideration of the additional premium and effective with the date of issue, coverage under the Policy to which this Rider is attached is extended to include the following benefits:

Surgeon's Benefit: If a Covered Person, while this Rider is in force, has a surgical operation performed by a Physician (who is the primary surgeon) as a result of an Injury or Sickness, we will pay the applicable amount shown on the Schedule of Surgical Operations. The maximum aggregate amount payable under this benefit for all surgical operations in a Policy Year is limited to the Maximum Aggregate Surgeon's Benefit shown on the Schedule of Surgical Operations. This benefit is payable for surgery performed either on an inpatient or outpatient basis.

Anesthesiologist's Benefit: If a Covered Person, while this Rider is in force, has a surgical operation performed by a Physician as a result of an Injury or Sickness for which the Surgeon's Benefit is payable, and is administered anesthesia by an anesthesiologist during such surgical operation, we will pay 25% of the benefit payable under the Surgeon's Benefit.

Day of Surgery Benefit: If a Covered Person, while this Rider is in force, has a surgical operation performed by a Physician as a result of an Injury or Sickness for which the Surgeon's Benefit is payable, we will pay 125% of the benefit payable under the Surgeon's Benefit.

All the provisions, conditions, limitations and exclusions of the Policy to which this Rider is attached which are not modified hereby and which are not in conflict herewith shall be applicable to this Rider.

IN WITNESS WHEREOF, RESERVE NATIONAL INSURANCE COMPANY has caused this Rider to be executed by its President and attested by its Secretary.


Secretary


President

SCHEDULE OF SURGICAL OPERATIONS

HEAD

Burr Holes hematoma.....	[490.00]
Craniotomy hematoma	[595.00]
Craniotomy skull tumor.....	[1000.00]
Intracranial aneurysm	[805.00]

EAR

Mastoidectomy - radical.....	[750.00]
Mastoidectomy - simple.....	[350.00]
Myringotomy	[75.00]
Stapedectomy.....	[455.00]
Tympanoplasty	[455.00]
Tympanotomy.....	[75.00]

EYE

Blepharoplasty.....	[250.00]
Cataract removal Surgical or Laser	[350.00]
Cataract removal with lens implant.....	[400.00]
Detached retina repair	[350.00]
Enucleation of eyeball	[200.00]
Foreign body removal	[50.00]
Iridectomy	[300.00]
Keratotomy	[300.00]
Lens implant	[300.00]
Pterygium excision	[200.00]
Sclerotomy	[300.00]
Strabismus repair	[250.00]
Vitrectomy	[300.00]

NOSE

Antrum puncture for drainage	[50.00]
Ethmoidectomy.....	[225.00]
Polypectomy	[100.00]
Rhinoplasty.....	[400.00]
Septoplasty.....	[300.00]
Submucous resection	[225.00]

THROAT - NECK

Laryngoscopy	[125.00]
Radical neck dissection for tumor.....	[1000.00]
Removal of larynx.....	[700.00]
Removal of tumor larynx.....	[350.00]
Removal of vocal cord	[400.00]
Thyroidectomy	[500.00]
Tonsillectomy adenoidectomy	[150.00]

CHEST

Bronchoscopy.....	[200.00]
Esophagoscopy	[75.00]
Esophagogastroduodenoscopy	[150.00]
Lobectomy	[600.00]
Mediastinoscopy.....	[200.00]
Mediastinotomy	[100.00]
Pleura needle biopsy	[75.00]
Pneumonectomy.....	[700.00]
Thoracentesis	[50.00]
Thoracoplasty	[700.00]
Thoracotomy with biopsy	[350.00]
UGI endoscopy with biopsy	[200.00]
UGI endoscopy diagnostic.....	[150.00]

BREAST

Breast aspiration.....	[50.00]
Breast biopsy.....	[80.00]
Radical mastectomy	
Bilateral	[750.00]
Reconstruction.....	[750.00]
Unilateral	[400.00]
Reconstruction.....	[400.00]

BREAST (continued)

Reduction mammoplasty	
Bilateral	[350.00]
Unilateral	[250.00]
Removal of tumor or cyst.....	[150.00]
Simple mastectomy	
Bilateral	[300.00]
Reconstruction.....	[300.00]
Unilateral	[250.00]
Reconstruction.....	[250.00]

CARDIOVASCULAR

Ablation therapy - veins	[300.00]
Aortic valve replacement	[1000.00]
Combined left and right heart catheterization	[300.00]
Coronary angioplasty.....	[875.00]
Coronary artery bypass	[1000.00]
Hemodialysis access	[300.00]
Electrophysiologic evaluation, heart	[500.00]
Embolectomy.....	[300.00]
Enderterectomy	[875.00]
Insertion venous access	[200.00]
Left heart catheterization, coronary angiography.....	[300.00]
Ligation - veins	[200.00]
Mitral valve replacement.....	[1000.00]
Pericardiectomy.....	[600.00]
Pericardiotomy.....	[400.00]
Permanent pacemaker insertion.....	[400.00]
Popliteal artery bypass	[560.00]
Repair of aneurysm	[875.00]
Right heart catheterization, Swan-Ganz	[275.00]
Thrombectomy.....	[300.00]
Varicose vein stripping	[200.00]
Vascular injection	[100.00]

ABDOMEN

Appendectomy.....	[350.00]
Biopsy of liver	[225.00]
Biopsy of pancreas	[250.00]
Cholecystectomy	[350.00]
Colostomy	[400.00]
Diverticulectomy	[300.00]
Enterolysis.....	[325.00]
Exploratory laparotomy.....	[350.00]
Gastrectomy	
Sub Total.....	[600.00]
Total	[750.00]
Gastroenterostomy	[500.00]
Hernia, inguinal, bilateral	[400.00]
Hernia, inguinal, unilateral	[250.00]
Hernia, femoral	[250.00]
Hernia, umbilical.....	[250.00]
Hernia, ventral	[300.00]
Intestinal resection	[400.00]
Omentectomy	[300.00]
Splenectomy.....	[400.00]
Vagotomy & Pyloroplasty	[400.00]

GENITO-URINARY TRACT

Adrenalectomy.....	[450.00]
Cystectomy.....	[400.00]
Cystolithotomy	[425.00]
Cystoscopy	[125.00]
Epididymectomy	[225.00]
Hydrocele repair	[250.00]

Maximum Aggregate Surgeon's Benefit for all surgical operations in a Policy Year: [\$1000.00]

SCHEDULE OF SURGICAL OPERATIONS

GENITO-URINARY TRACT (continued)

Lithotripsy	[400.00]
Marshall Marchetti Krantz	[450.00]
Nephrectomy	[700.00]
Nephrolithotomy	[425.00]
Orchiectomy	[250.00]
Suprapubic prostatectomy	[450.00]
TUR prostate.....	[450.00]
Ureterolithotomy	[600.00]
Urethral dilation	[50.00]
Varicocele repair.....	[300.00]

GYNECOLOGY

Bartholin gland incision.....	[100.00]
Biopsy of cervix	[100.00]
Biopsy of endometrium.....	[100.00]
Cautery of cervix.....	[100.00]
Cystocele/Rectocele repair.....	[300.00]
Dilatation and curettage.....	[175.00]
Hysterectomy, abdominal.....	[500.00]
Hysterectomy, vaginal	[450.00]
Hysterosalpingography.....	[100.00]
Hysteroscopy, biopsy	[100.00]
Hysteroscopy, ablation	[175.00]
Laparoscopy	[200.00]
Oophorectomy	[300.00]
Salpingectomy.....	[400.00]
Uterine suspension.....	[250.00]
Vaginal fistula repair.....	[225.00]

RECTUM

Colonoscopy fiberoptic	[150.00]
with biopsy.....	[200.00]
with removal of polyp.....	[250.00]
Fistulectomy	[250.00]
Fissure-ano	[150.00]
Hemorrhoidectomy, external	[50.00]
Hemorrhoidectomy, internal	[300.00]
I&D abscess	[50.00]
Pilonidal.....	[150.00]
Proctectomy	[700.00]
Proctoperineoplasty.....	[300.00]
Proctoscopy.....	[75.00]
Sigmoidoscopy	[150.00]

AMPUTATIONS

Above elbow	[300.00]
Above knee	[500.00]
Below elbow	[300.00]
Below knee	[400.00]
Finger or Toe.....	[125.00]
Transmetatarsal.....	[250.00]

SPINE

Anesthetic injection, back/nerves	[50.00]
Arthrodesis	[550.00]
Diskectomy	[550.00]
Laminectomy	[630.00]
Myelogram.....	[150.00]
Spinal instrumentation	[550.00]

ORTHOPEDIC

Arthrocentesis	[50.00]
Arthroplasty, hip.....	[600.00]
Arthroplasty, knee.....	[400.00]
Arthroscopy, knee.....	[200.00]
Arthroscopy, shoulder.....	[200.00]
Arthrotomy, knee with meniscectomy	[400.00]
Bunionectomy.....	[200.00]

ORTHOPEDIC (continued)

Excision Morton's neuroma	[150.00]
Fasciectomy	[100.00]
Fasciotomy	[100.00]
Hammertoe repair.....	[200.00]
Neurolysis median nerve at Carpal tunnel.....	[200.00]
Osteotomy	[100.00]
Osteotomy	[100.00]
Repair rotator cuff.....	[325.00]

FRACTURES

Ankle	[250.00]
Carpal-Metacarpal.....	[125.00]
Clavicle	[100.00]
Elbow dislocation.....	[100.00]
Femur	[300.00]
Fibula.....	[250.00]
Finger-Tarsal-Metatarsal	[100.00]
Humerus.....	[250.00]
Mandible	[300.00]
Maxilla, skull, simple.....	[400.00]
Nose	[200.00]
Patella	[150.00]
Pelvis.....	[200.00]
Radius	[200.00]
Ribs	[50.00]
Scapula	[75.00]
Shoulder dislocation	[125.00]
Spine	[250.00]
Tibia.....	[275.00]
Ulna	[175.00]

Amounts above are for simple fracture. For open reduction maximum will be one and one-half times the amount for simple fracture. For open fracture requiring metallic fixation the amount will be twice the amount for simple fracture.

MISCELLANEOUS

Bone marrow – biopsy, aspiration	[100.00]
Flap - tissue transfer.....	[125.00]
I&D abscess	[50.00]
Excision of lesion of tendon sheath, Ganglion cyst	[200.00]
Mohs Surgery	[325.00]
Mohs Surgery, Chemo.....	[125.00]
Muscle, Skin Flap	[200.00]
Removal of tumors, cysts or abscesses benign - face, nose, ears	[100.00]
benign - scalp, neck, hand, foot.....	[75.00]
benign - trunk, arm, leg.....	[50.00]
malignant - face, nose, ears	[125.00]
malignant - scalp, neck, hand, foot.....	[100.00]
malignant - trunk, arm, leg.....	[75.00]
Suturing of surface wounds face and mucous membrane	[75.00]
scalp, neck, genitalia, trunk extremities	[50.00]

For surgical operations not otherwise specified, the Company will determine the amount to be included as a benefit on a basis commensurate to similar listed operations, but in no event shall the maximum benefit for operations not specified exceed [One Thousand Dollars (\$1,000.00)].

Maximum Aggregate Surgeon's Benefit for all surgical operations in a Policy Year: [\$1000.00]



601 East Britton Road • Oklahoma City, OK 73114

HOSPITAL CONFINEMENT INDEMNITY POLICY

THIS POLICY PROVIDES FIXED INDEMNITY BENEFITS WHICH ARE SUPPLEMENTAL AND ARE NOT INTENDED TO COVER ALL MEDICAL EXPENSES

OUTLINE OF COVERAGE

Reserve National Insurance Company is hereinafter referred to as "we," "us" or "our." The individual(s) covered under the Policy are referred to as "you," "your" or "Covered Person."

1. Read Your Policy Carefully - This outline of coverage provides a very brief description of the important features of Hospital Confinement Indemnity Policy Form HDI. This is not the insurance contract and only the actual Policy provisions will control. The Policy itself sets forth in detail the rights and obligations of both you and Reserve National Insurance Company. It is therefore important that you **Read Your Policy Carefully!**

2. Hospital Confinement Indemnity Coverage is designed to provide coverage in the form of a fixed daily benefit during periods of hospitalization resulting from a covered Injury or Sickness, subject to all the Policy's conditions, limitations and exclusions. Coverage is not provided for any benefits other than (a) the fixed daily indemnity for hospital confinement and (b) any additional benefit described below that you have selected. **THIS IS A LIMITED POLICY. THIS POLICY IS DESIGNED TO SUPPLEMENT, NOT REPLACE, EXISTING HOSPITALIZATION AND MEDICAL COVERAGE.**

3. BENEFIT FOR HOSPITAL CONFINEMENT: If a Covered Person is confined in a Hospital as a resident inpatient as a result of an Injury or Sickness, we will pay the following Benefit for Hospital Confinement for each day of confinement, beginning with the first day, **limited to the Maximum Hospital Confinement Benefit Period of 31 days for each Policy Year:**

a) **For the first 10 full days of Hospital confinement:** \$ _____ per day

b) **For the next 21 full days of Hospital confinement:** \$ _____ per day

A "day" is a 24-hour period. No benefit is payable for a partial day of Hospital confinement.

4. _____ (applicant's initials to select) **OPTIONAL BENEFIT FOR INPATIENT DOCTOR VISITS:** If a Covered Person is confined in a Hospital as a resident inpatient as a result of an Injury or Sickness, we will pay the Benefit for Inpatient Doctor Visits in the amount of \$50.00 for each day the Benefit for Hospital Confinement is payable for such confinement and the confined Covered Person receives personal treatment by a Physician. Each Covered Person is limited to one Benefit for Inpatient Doctor Visits for each day he/she receives personal treatment by one or more Physicians while confined in a Hospital, but not to exceed the number of days the Benefit for Hospital Confinement is payable in a Policy Year.

5. _____ (applicant's initials to select) **OPTIONAL BENEFIT FOR ACCIDENTAL DEATH/DISEMBLEMENT:** If a Covered Person sustains an accidental bodily Injury which, within 90 days of such accident, results in his/her death or loss of sight or dismemberment of his/her hands or feet, we will pay benefits scheduled in the Policy ranging from \$1,000.00 for the loss of one limb to \$5,000.00 for accidental death.

6. _____ (applicant's initials to select) **OPTIONAL SURGERY BENEFIT RIDER:** If a Covered Person has a surgical operation as a result of an Injury or Sickness, we will pay the following benefits:

(a) **Surgeon's Benefit:** If a Covered Person has a surgical procedure performed by a Physician (who is the primary surgeon), we will pay the applicable amount shown on the **Schedule of Surgical Operations in the Policy**. The maximum aggregate benefit payable for all surgical operations in a Policy Year is **limited to:**

\$ _____. This benefit is payable for **either inpatient or outpatient surgery.**

(b) **Anesthesiologist's Benefit:** If a Covered Person has a surgical operation performed by a Physician, and is administered anesthesia by an anesthesiologist during the surgical operation, we will pay 25% of the applicable amount payable under the Surgeon's Benefit.

(c) **Day of Surgery Benefit:** If a Covered Person has a surgical operation performed by a Physician for which the Surgeon's Benefit is payable, we will pay 125% of the benefit payable under the Surgeon's Benefit.

Hospital confinement is not required for this benefit to be payable.

7. _____ (applicant's initials to select) **OPTIONAL AMBULANCE BENEFIT RIDER:** If a Covered Person is transported to or from a Hospital as a result of an Injury or Sickness, we will pay the applicable benefit as follows:

(a) **Air Ambulance:** We will pay **\$5,000.00** for air transportation by a licensed ambulance service, limited to **two air ambulance trips per Policy Year.**

(b) **Ground Ambulance:** We will pay **\$600.00** for ground transportation by a licensed ambulance service, limited to **four ground ambulance trips per Policy Year.**

Benefits under this Rider will not be payable for any ambulance trip that is taken for the purpose of convenience.

8. _____ (applicant's initials to select) **OPTIONAL PREMIUM RATE GUARANTEE RIDER:** We guarantee that the premium rate for each covered person will not increase prior to the expiration of **3 years** following the effective date of this rider. After the expiration of the 3-year period, each covered person's premium rate will be subject to increases under the Policy's provisions.

(continued on reverse side)

9. EXCLUSIONS: The Policy does not cover any loss caused or contributed to by: (a) Injury or Sickness sustained while serving in the armed forces of any country or international authority at war, whether war is declared or not (we will return the pro-rata premium for any period not covered by the Policy while you are in such service); (b) suicide or attempted suicide, while sane or insane, or any intentionally self-inflicted injury; (c) drug abuse, drug overdose or drug addiction; (d) intoxication, alcoholism or alcohol related illnesses; (e) mental illness, nervous or emotional disorders; (f) Injury or Sickness covered by any worker's compensation act, occupational diseases law or any motor vehicle no-fault law; (g) dental care or treatment, except that excluded dental care or treatment shall not include (1) reconstructive surgery when such service is incidental to trauma or (2) treatment of accidental Injury to whole natural teeth received within six months following an accident; (h) cosmetic or elective surgery (including surgery to correct myopia, hyperopia, presbyopia or astigmatism and surgery for weight loss or modification), except that excluded cosmetic surgery shall not include (1) reconstructive surgery when service is incidental to or follows surgery resulting from trauma, infection or other disease of the involved part, (2) reconstructive surgery because of congenital disease or anomaly of an insured dependent child which has resulted in a functional defect of (3) breast reconstruction in connection with mastectomy, including reconstructive surgery on a nondiseased breast to establish symmetry with a diseased breast on which reconstructive surgery has been performed; (i) pregnancy or conditions due to pregnancy, except that complications of pregnancy shall be covered as any other Sickness; (j) childbirth; (k) participation in a felony or attempted felony, riot or insurrection; (l) rest cures, custodial care, and routine physical examinations; (m) surgical sterilization; (n) foot care in connection with corns, calluses, flat feet, fallen arches, weak feet, chronic foot strain or symptomatic complaints of the feet; (o) eye glasses, hearing aids and examination for the prescription or fitting thereof.

10. PRE-EXISTING CONDITIONS LIMITATION: Pre-Existing Conditions are not covered under the Policy until the Policy has been in force for a period of two years; provided, however, that no benefits whatsoever will be payable for loss from any condition, either pre-existing or otherwise, which is completely excluded from coverage under the Policy by name or specific description on the date of loss. "Pre-existing condition" means a condition which has been diagnosed, or has manifested itself to you within the five-year period immediately preceding the Effective Date of the Policy by a symptom or symptoms, whether the specific condition has been medically diagnosed or not, and causes loss within the two-year period following the Effective Date of the Policy.

Coverage for some pre-existing conditions may be included after 12 months for an additional premium payable during the lifetime of your Policy by attachment of the PEB-3 (7/89) endorsement.

11. _____ (applicant's initials to select) **EXISTING CONDITION BENEFIT ENDORSEMENT PEB-3 (7/89):** Pre-Existing Conditions disclosed on the application and listed on Endorsement Form PEB-3 (7/89) will be covered after 12 months.

12. TERMINATION: Subject to the Policy's Grace Period provision, coverage will immediately terminate at 12:01 A.M., Standard Time, at the place where the Insured resides, on the date of any premium which is not paid. Additionally, a child's coverage will terminate as provided in the Policy's Coverage for Spouse and Dependent Children provision.

13. RENEWABILITY: Subject to the Policy's Termination provision, the Policy is **guaranteed renewable** at your option. We reserve the right to change premiums in accordance with the Policy's Premium Payments provision.

14. PREMIUM PAYMENTS/PREMIUMS SUBJECT TO CHANGE:

(a) You have a grace period of 31 days for the payment of each premium which becomes due after the first premium. During this grace period the Policy will continue in force.

(b) Premiums are subject to change. Premiums are based on the attained age of each Covered Person, and each Covered Person's premium may increase following his/her birthday. Premiums may also increase at any time due to the Company changing its table of rates applicable on a class basis in your state. Classes may be determined according to sex, attained age, smoking status and state of residence. We will give you 31 days notice before any such premium change.

THIS IS A LIMITED POLICY. IT ONLY PROVIDES A FIXED DAILY BENEFIT FOR HOSPITAL CONFINEMENT AND ANY ADDITIONAL BENEFIT DESCRIBED ABOVE THAT YOU HAVE SELECTED.
READ THE POLICY CAREFULLY WITH THIS OUTLINE OF COVERAGE.

THE SOLICITING AGENT SIGNING BELOW DOES NOT HAVE THE AUTHORITY TO BIND THE COMPANY OR TO WAIVE, CHANGE OR AMEND ANY TERM OR CONDITION OF A POLICY WHICH MAY BE ISSUED BY THE COMPANY.

The undersigned applicant hereby acknowledges receipt of a copy of this Outline of Coverage.

Dated this _____ day of _____, year _____. Signed at _____

State of _____.

Agent's Signature

Applicant's Signature

[This Outline of Coverage is to be delivered to the applicant at the time the application for insurance is completed.]

Hospital Confinement Indemnity Policy Form HDI is individually underwritten by Reserve National Insurance Company.

SERFF Tracking Number: RNIC-126922905 State: Arkansas
 Filing Company: Reserve National Insurance Company State Tracking Number: 47501
 Company Tracking Number:
 TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
 Product Name: HDI-SRG-1 Surgery Benefit Rider
 Project Name/Number: HDI-SRG-1 Surgery Benefit Rider/

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
Approved-Closed 12/16/2010	Rate Sheets	HDI-SRG-1	New		Rate Sheets HDI-SRG-1 AR.pdf

Reserve National Insurance Company
Supplemental Surgery Rider: HDI-SRG-1

Exhibit I - Regular Monthly Attained Age Premiums

Arkansas

Regular Monthly Premium per Unit

Attained Age	NS	SM	Attained Age	NS	SM
Child	5.00	5.00			
18	5.30	6.30	59	13.75	16.30
19	5.40	6.40	60	14.25	16.90
20	5.50	6.50	61	14.75	17.50
21	5.60	6.65	62	15.25	18.10
22	5.70	6.75	63	15.80	18.75
23	5.85	6.95	64	16.35	19.40
24	5.95	7.05	65	16.90	20.05
25	6.05	7.20	66	17.50	20.75
26	6.20	7.35	67	18.10	21.45
27	6.30	7.45	68	18.75	22.25
28	6.45	7.65	69	19.40	23.00
29	6.55	7.75	70	20.10	23.85
30	6.70	7.95	71	20.80	24.65
31	6.85	8.10	72	21.50	25.50
32	6.95	8.25	73	22.25	26.40
33	7.10	8.40	74	23.05	27.35
34	7.25	8.60	75	23.85	28.30
35	7.40	8.80	76	24.70	29.30
36	7.55	8.95	77	25.55	30.30
37	7.70	9.15	78	26.45	31.35
38	7.85	9.30	79	27.35	32.45
39	8.00	9.50	80	28.35	33.60
40	8.15	9.65	81	29.30	34.75
41	8.30	9.85	82	30.35	36.00
42	8.50	10.10	83	31.40	37.25
43	8.65	10.25	84	32.50	38.55
44	8.85	10.50	85	33.65	39.90
45	9.00	10.65	86	34.85	41.35
46	9.20	10.90	87	36.05	42.75
47	9.35	11.10	88	37.30	44.25
48	9.55	11.35	89	38.60	45.80
49	9.75	11.55	90	39.95	47.40
50	10.10	12.00	91	41.35	49.05
51	10.45	12.40	92	42.80	50.75
52	10.80	12.80	93	44.30	52.55
53	11.20	13.30	94	45.85	54.40
54	11.60	13.75	95	47.45	56.30
55	12.00	14.25	96	49.15	58.30
56	12.40	14.70	97	50.85	60.30
57	12.85	15.25	98	52.65	62.45
58	13.30	15.75	99	54.45	64.60

Monthly Bank Draft = Monthly Rate X .92
 Semi-Annual Rate = Monthly Rate X 5.82

Quarterly Rate = Monthly Rate X 2.94
 Annual Rate = Monthly Rate X 11.04

SERFF Tracking Number: RNIC-126922905 State: Arkansas
 Filing Company: Reserve National Insurance Company State Tracking Number: 47501
 Company Tracking Number:
 TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
 Product Name: HDI-SRG-1 Surgery Benefit Rider
 Project Name/Number: HDI-SRG-1 Surgery Benefit Rider/

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Attachment: HDI-SRG-1 Readability Certification.pdf	Approved-Closed	12/16/2010

	Item Status:	Status Date:
Bypassed - Item: Application Bypass Reason: Not Applicable. Comments:	Approved-Closed	12/16/2010

	Item Status:	Status Date:
Satisfied - Item: Health - Actuarial Justification Comments: Attachment: Act Mem AR.pdf	Approved-Closed	12/16/2010

	Item Status:	Status Date:
Satisfied - Item: Outline of Coverage Comments: Attachment: OC HDI AR 01.11.pdf	Approved-Closed	12/16/2010

	Item Status:	Status Date:
Satisfied - Item: HDI-SRG-1 Explanation of Variable Text Comments:	Approved-Closed	12/16/2010

SERFF Tracking Number: *RNIC-126922905* *State:* *Arkansas*
Filing Company: *Reserve National Insurance Company* *State Tracking Number:* *47501*
Company Tracking Number:
TOI: *H14I Individual Health - Hospital Indemnity* *Sub-TOI:* *H14I.000 Health - Hospital Indemnity*
Product Name: *HDI-SRG-1 Surgery Benefit Rider*
Project Name/Number: *HDI-SRG-1 Surgery Benefit Rider/*

Attachment:

HDI-SRG-1 Explanation of Variable Text.pdf



READABILITY CERTIFICATION

FORM NUMBER: **Form HDI-SRG-1 – SURGERY BENEFIT RIDER**

The words, sentences, and syllables of Form HDI-SRG-1 were counted to be used in the Flesch Readability Formula in order to determine the readability score of the form. Formal names, medical terms and words defined (implicitly or explicitly) in the policy/rider/endorsement were not counted.

WORDS:	187
SENTENCES:	8
Syllables:	293

This resulted in a Flesch Readability score of **50.541**.

KYLE D. CONRAD
Senior Vice President
and Associate Corporate Counsel

Individual Supplemental Surgical Indemnity Rider Form HDI-SRG-1

Actuarial Memorandum - Arkansas

Purpose and Scope

The purpose of this memorandum is to document the actuarial basis for this product's gross premiums and to demonstrate that the anticipated loss ratio for this product meets the minimum requirements for the states in which it is to be sold. The NAIC model guidelines for filing of rates for individual health insurance forms provide the basis for the minimum requirements satisfied by this memorandum. This memorandum should not be used for any other purpose.

Benefits

This Rider will be sold with the Company's individual hospital indemnity product Policy Form HDI and the benefits are as follows:

Surgeon's Benefit: If a Covered Person, while this Rider is in force, has a surgical operation performed by a Physician as a result of an Injury or Sickness, we will pay the applicable amount shown on the Schedule of Surgical Operations. The maximum aggregate amount payable under this benefit for all surgical operations in a Policy Year is limited to the Maximum Aggregate Surgeon's Benefit shown on the Schedule of Surgical Operations. This benefit is payable for surgery performed either on an inpatient or outpatient basis. This benefit is not payable with respect to a Physician who assists the primary surgeon with a surgical operation.

Anesthesia Benefit: If a Covered Person, while this Rider is in force, has a surgical operation performed by a Physician as a result of an Injury or Sickness for which the Surgeon's Benefit is payable, and is administered anesthesia during such surgical operation, we will pay 25% of the benefit payable under the Surgeon's Benefit.

Day of Surgery Benefit: If a Covered Person, while this Rider is in force, has a surgical operation performed by a Physician as a result of an Injury or Sickness for which the Surgeon's Benefit is payable, we will pay 125% of the benefit payable under the Surgeon's Benefit.

Premium Rates

Exhibit I contains the premium guide for the rider. These premiums were calculated on a one-year step-rate basis for attained ages 18 and over. The child rates were calculated on a level premium to age 19 basis. There are differentials for smoker vs. nonsmoker. The rates are composite for males and females.

Premium Modalization Rules

The rates in Exhibit I are for the regular monthly mode. The other modes available, along with their modal loading factors, are:

Monthly Bank Draft	0.92
Quarterly	2.94
Semi-Annual	5.82
Annual	11.04

All results are rounded to the nearest dollar.

Renewability

This product is guaranteed renewable. In other words, the product is renewable at the option of the insured subject to the policy's termination provisions.

Marketing Method

Sales are made through solicitation of individuals by agents working through a branch office distribution system.

Pricing Assumptions

- Claim Costs: developed from similar Company products adjusted for different benefit levels and current experience.
- Claims are discounted 35% in the first year, 20% in the second year, 10% in the third year and 5% in the fourth year for underwriting and pre-existing conditions.
- Termination rates: 34% 1st year, 32% 2nd and 3rd year, 30% 4th year, 28% 5th year, 24% 6th year and 20% thereafter plus 80CSO-ALB mortality.
- Interest: 6.0% throughout.

Underwriting

The policy form is individually underwritten in accordance with the Company's Underwriting Manual, which provides a means to:

- Determine appropriate premium loading for individual risk factors, and
- Determine an additional premium to charge for a pre-existing condition endorsement.

Average Annual Premium

The average annual premium for this rider is \$120, based on the following assumptions:

- One Unit of Surgery;
- Distribution of issue ages based on distribution of a similar product;
- 80%/20% distribution of nonsmokers and smokers

Minimum Required Loss Ratio

The minimum required loss ratio for the policy form this rider will be sold with, derived from the NAIC model regulation, is 55%.

Anticipated Loss Ratio

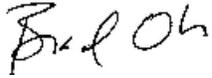
The anticipated loss ratio over the lifetime of the coverage for this rider is 56%. The above assumptions produce the following composite loss ratios for each year of coverage:

Year	Loss Ratio
1	47%
2	53%
3	60%
4	63%
5-6	67%
7	68%
8-9	69%
10	70%
11-12	71%
13	72%
14-15	73%
16	74%
17-18	75%
19+	76%

Future medical trend is ignored, assumed to be covered by future rate increases. The anticipated loss ratio is the present value of expected claims divided by the present value of expected premiums over the expected life of the policy. The discount rate is 6%.

Actuarial Certification

I certify that to the best of my knowledge and judgment, the actuarial memorandum complies with Actuarial Standard of Practice No. 8, "Regulatory Filings for Health Plan Entities," as adopted by the Actuarial Standards Board, December 2005 and that the benefits provided are reasonable in relation to the proposed premiums.

A handwritten signature in black ink, appearing to read "Brad Ober". The signature is written in a cursive, somewhat stylized font.

Brad Ober, A.S.A., M.A.A.A.
Actuary



601 East Britton Road • Oklahoma City, OK 73114

HOSPITAL CONFINEMENT INDEMNITY POLICY

THIS POLICY PROVIDES FIXED INDEMNITY BENEFITS WHICH ARE SUPPLEMENTAL AND ARE NOT INTENDED TO COVER ALL MEDICAL EXPENSES

OUTLINE OF COVERAGE

Reserve National Insurance Company is hereinafter referred to as "we," "us" or "our." The individual(s) covered under the Policy are referred to as "you," "your" or "Covered Person."

1. Read Your Policy Carefully - This outline of coverage provides a very brief description of the important features of Hospital Confinement Indemnity Policy Form HDI. This is not the insurance contract and only the actual Policy provisions will control. The Policy itself sets forth in detail the rights and obligations of both you and Reserve National Insurance Company. It is therefore important that you **Read Your Policy Carefully!**

2. Hospital Confinement Indemnity Coverage is designed to provide coverage in the form of a fixed daily benefit during periods of hospitalization resulting from a covered Injury or Sickness, subject to all the Policy's conditions, limitations and exclusions. Coverage is not provided for any benefits other than (a) the fixed daily indemnity for hospital confinement and (b) any additional benefit described below that you have selected. **THIS IS A LIMITED POLICY. THIS POLICY IS DESIGNED TO SUPPLEMENT, NOT REPLACE, EXISTING HOSPITALIZATION AND MEDICAL COVERAGE.**

3. BENEFIT FOR HOSPITAL CONFINEMENT: If a Covered Person is confined in a Hospital as a resident inpatient as a result of an Injury or Sickness, we will pay the following Benefit for Hospital Confinement for each day of confinement, beginning with the first day, **limited to the Maximum Hospital Confinement Benefit Period of 31 days for each Policy Year:**

a) **For the first 10 full days of Hospital confinement:** \$ _____ per day

b) **For the next 21 full days of Hospital confinement:** \$ _____ per day

A "day" is a 24-hour period. No benefit is payable for a partial day of Hospital confinement.

4. _____ (applicant's initials to select) **OPTIONAL BENEFIT FOR INPATIENT DOCTOR VISITS:** If a Covered Person is confined in a Hospital as a resident inpatient as a result of an Injury or Sickness, we will pay the Benefit for Inpatient Doctor Visits in the.. amount of \$50.00 for each day the Benefit for Hospital Confinement is payable for such confinement and the confined Covered Person receives personal treatment by a Physician. Each Covered Person is limited to one Benefit for Inpatient Doctor Visits for each day he/she receives personal treatment by one or more Physicians while confined in a Hospital, but not to exceed the number of days the Benefit for Hospital Confinement is payable in a Policy Year.

5. _____ (applicant's initials to select) **OPTIONAL BENEFIT FOR ACCIDENTAL DEATH/DISEMBLEMENT:** If a Covered Person sustains an accidental bodily Injury which, within 90 days of such accident, results in his/her death or loss of sight or dismemberment of his/her hands or feet, we will pay benefits scheduled in the Policy ranging from \$1,000.00 for the loss of one limb to \$5,000.00 for accidental death.

6. _____ (applicant's initials to select) **OPTIONAL SURGERY BENEFIT RIDER:** If a Covered Person has a surgical operation as a result of an Injury or Sickness, we will pay the following benefits:

(a) **Surgeon's Benefit:** If a Covered Person has a surgical procedure performed by a Physician (who is the primary surgeon), we will pay the applicable amount shown on the **Schedule of Surgical Operations in the Policy**. The maximum aggregate benefit payable for all surgical operations in a Policy Year is **limited to:**

\$ _____. This benefit is payable for **either inpatient or outpatient surgery.**

(b) **Anesthesiologist's Benefit:** If a Covered Person has a surgical operation performed by a Physician, and is administered anesthesia by an anesthesiologist during the surgical operation, we will pay 25% of the applicable amount payable under the Surgeon's Benefit.

(c) **Day of Surgery Benefit:** If a Covered Person has a surgical operation performed by a Physician for which the Surgeon's Benefit is payable, we will pay 125% of the benefit payable under the Surgeon's Benefit.

Hospital confinement is not required for this benefit to be payable.

7. _____ (applicant's initials to select) **OPTIONAL AMBULANCE BENEFIT RIDER:** If a Covered Person is transported to or from a Hospital as a result of an Injury or Sickness, we will pay the applicable benefit as follows:

(a) **Air Ambulance:** We will pay **\$5,000.00** for air transportation by a licensed ambulance service, limited to **two air ambulance trips per Policy Year.**

(b) **Ground Ambulance:** We will pay **\$600.00** for ground transportation by a licensed ambulance service, limited to **four ground ambulance trips per Policy Year.**

Benefits under this Rider will not be payable for any ambulance trip that is taken for the purpose of convenience.

8. _____ (applicant's initials to select) **OPTIONAL PREMIUM RATE GUARANTEE RIDER:** We guarantee that the premium rate for each covered person will not increase prior to the expiration of **3 years** following the effective date of this rider. After the expiration of the 3-year period, each covered person's premium rate will be subject to increases under the Policy's provisions.

(continued on reverse side)

9. EXCLUSIONS: The Policy does not cover any loss caused or contributed to by: (a) Injury or Sickness sustained while serving in the armed forces of any country or international authority at war, whether war is declared or not (we will return the pro-rata premium for any period not covered by the Policy while you are in such service); (b) suicide or attempted suicide, while sane or insane, or any intentionally self-inflicted injury; (c) drug abuse, drug overdose or drug addiction; (d) intoxication, alcoholism or alcohol related illnesses; (e) mental illness, nervous or emotional disorders; (f) Injury or Sickness covered by any worker's compensation act, occupational diseases law or any motor vehicle no-fault law; (g) dental care or treatment, except that excluded dental care or treatment shall not include (1) reconstructive surgery when such service is incidental to trauma or (2) treatment of accidental Injury to whole natural teeth received within six months following an accident; (h) cosmetic or elective surgery (including surgery to correct myopia, hyperopia, presbyopia or astigmatism and surgery for weight loss or modification), except that excluded cosmetic surgery shall not include (1) reconstructive surgery when service is incidental to or follows surgery resulting from trauma, infection or other disease of the involved part, (2) reconstructive surgery because of congenital disease or anomaly of an insured dependent child which has resulted in a functional defect of (3) breast reconstruction in connection with mastectomy, including reconstructive surgery on a nondiseased breast to establish symmetry with a diseased breast on which reconstructive surgery has been performed; (i) pregnancy or conditions due to pregnancy, except that complications of pregnancy shall be covered as any other Sickness; (j) childbirth; (k) participation in a felony or attempted felony, riot or insurrection; (l) rest cures, custodial care, and routine physical examinations; (m) surgical sterilization; (n) foot care in connection with corns, calluses, flat feet, fallen arches, weak feet, chronic foot strain or symptomatic complaints of the feet; (o) eye glasses, hearing aids and examination for the prescription or fitting thereof.

10. PRE-EXISTING CONDITIONS LIMITATION: Pre-Existing Conditions are not covered under the Policy until the Policy has been in force for a period of two years; provided, however, that no benefits whatsoever will be payable for loss from any condition, either pre-existing or otherwise, which is completely excluded from coverage under the Policy by name or specific description on the date of loss. "Pre-existing condition" means a condition which has been diagnosed, or has manifested itself to you within the five-year period immediately preceding the Effective Date of the Policy by a symptom or symptoms, whether the specific condition has been medically diagnosed or not, and causes loss within the two-year period following the Effective Date of the Policy.

Coverage for some pre-existing conditions may be included after 12 months for an additional premium payable during the lifetime of your Policy by attachment of the PEB-3 (7/89) endorsement.

11. _____ (applicant's initials to select) **EXISTING CONDITION BENEFIT ENDORSEMENT PEB-3 (7/89):** Pre-Existing Conditions disclosed on the application and listed on Endorsement Form PEB-3 (7/89) will be covered after 12 months.

12. TERMINATION: Subject to the Policy's Grace Period provision, coverage will immediately terminate at 12:01 A.M., Standard Time, at the place where the Insured resides, on the date of any premium which is not paid. Additionally, a child's coverage will terminate as provided in the Policy's Coverage for Spouse and Dependent Children provision.

13. RENEWABILITY: Subject to the Policy's Termination provision, the Policy is **guaranteed renewable** at your option. We reserve the right to change premiums in accordance with the Policy's Premium Payments provision.

14. PREMIUM PAYMENTS/PREMIUMS SUBJECT TO CHANGE:

(a) You have a grace period of 31 days for the payment of each premium which becomes due after the first premium. During this grace period the Policy will continue in force.

(b) Premiums are subject to change. Premiums are based on the attained age of each Covered Person, and each Covered Person's premium may increase following his/her birthday. Premiums may also increase at any time due to the Company changing its table of rates applicable on a class basis in your state. Classes may be determined according to sex, attained age, smoking status and state of residence. We will give you 31 days notice before any such premium change.

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The undersigned applicant hereby acknowledges receipt of a copy of this Outline of Coverage.

Dated this _____ day of _____, year _____. Signed at _____

State of _____

Agent's Signature

Applicant's Signature

[This Outline of Coverage is to be delivered to the applicant at the time the application for insurance is completed.]

Hospital Confinement Indemnity Policy Form HDI is individually underwritten by Reserve National Insurance Company.



601 East Britton Road • Oklahoma City, OK 73114
www.ReserveNational.com

Explanation of Variable Text

Surgery Benefit Rider Form HDI-SRG-1

In connection with the submission of the above-referenced form, the following text is variable and is shown in brackets:

The Schedule of Surgery Operations, which is a part of Surgery Benefit Rider Form HDI-SRG-1, reflects fixed indemnity benefits that will be payable for specific surgical operations. This benefit will be sold in “units,” which will be selected by the applicant at the time of application. The amounts on the Schedule of Surgical Operations submitted with Form HDI-SRG-1 reflect one “unit.” For two units, the amounts on the Schedule of Surgical Operations will be multiplied by two; for three units, the amounts on the Schedule of Surgical Operations will be multiplied by three; etc.

I hereby certify that the foregoing is true and correct to the best of my knowledge, information and belief.

12/7/2010

Date

Kyle D. Conrad
Kyle D. Conrad
Senior Vice President
and Associate Corporate Counsel