

SICKNESS HOSPITAL CONFINEMENT *Rider*



With each day you spend in the hospital, your expenses are likely to increase. In 2003, the average length of stay in a hospital was 4.8 days. Colonial's Sickness Hospital Confinement Rider can help you pay the extra expenses associated with a hospital stay.

Source: 2003 National Hospital Discharge Survey

Sickness Hospital Care

Traditional health insurance policies may have per-admission deductibles and copayments that must be satisfied during a hospital stay. This rider is designed to help you with these costs.

Highlights of Colonial's Sickness Hospital Confinement Rider

- You're paid regardless of any other insurance you may have with other insurance companies.
- Benefits are paid directly to you, unless you specify otherwise.
- Our coverage is guaranteed renewable for life as long as the policy to which the rider is attached is in force and premiums are paid when due.

Pre-Existing Conditions

Pre-existing condition means a sickness or physical condition for which a covered person was treated, received medical advice or had taken medication within 12 months before the effective date of the rider. If you are confined to a hospital because of a pre-existing condition, we will not pay for any hospital confinement if it begins during the first 12 months the rider is in force. After this rider has been in force for 12 months from the effective date of this rider, we will pay benefits for any pre-existing condition not otherwise excluded by name or specific description if the covered confinement began more than 12 months after the effective date of the rider.

Please refer to the Outline of Coverage on the back of this brochure for complete details.

Colonial insurance is too valuable to lose just because you change employers. When you are covered under this plan, you may be able to keep this insurance with no increase in premium if you change employers.

Benefit Worksheet

Flexible Benefit

For use by Colonial Representative

Check one:

- Employee Spouse One Child
 Employee/Spouse One-Parent Family Two-Parent Family

Benefit Amount: \$100 per day
Elimination Period: 0 day
Benefit Period: Up to 30 days per covered sickness

Premium Per Pay Period: \$ _____

COLONIAL LIFE & ACCIDENT INSURANCE COMPANY

P.O. Box 1365, Columbia, South Carolina 29202

(800) 325-4368

SICKNESS-HOSPITAL CONFINEMENT RIDER

OUTLINE OF COVERAGE

(Applicable to Rider Form R-SHC, and state abbreviations where used)

THIS RIDER IS NOT A MEDICARE SUPPLEMENT RIDER

If you are eligible for Medicare, review the

Guide to Health Insurance for People with Medicare available from the Company.

Please Read Your Rider Carefully. This outline provides a very brief description of the important features of the rider. This is not an insurance contract and only the actual policy and rider provisions will control. The rider sets forth in detail the rights and obligations of both you and us. It is, therefore, important that you READ YOUR RIDER CAREFULLY.

Renewability. The coverage is guaranteed renewable for life as long as the policy to which it is attached is in force and premiums are paid when they are due. The premium can be changed only if we change it on all riders of this kind in force in the state where the rider was issued.

Your rider is designed to provide coverage ONLY for the benefit listed below.

Coverage Provided by the Rider. The rider is designed to provide coverage if a covered sickness causes any covered person to be confined in a hospital subject to any limitations or exclusions while the rider and the policy to which it is attached is in force. It does not provide coverage for basic hospital, basic medical-surgical or major medical expenses.

Hospital Confinement **\$100/day up to 30 days**

We will pay this benefit for any covered person confined due to a covered sickness, up to the benefit period and in the daily amount shown above. We will only pay for one hospital confinement at a time even if it is caused by more than one sickness. We will not pay this benefit for emergency room treatment, for outpatient treatment confinement, or for a stay of less than 20 hours in an observation unit. If we pay this benefit for a hospital confinement and the covered person becomes confined to a hospital again within 90 days because of the same or related sickness, we will treat this confinement as a continuation of the prior confinement. If more than 90 days have passed between the periods of hospital confinement, we will treat this confinement as a new confinement.

Time Limits

After the rider has been in force for 12 months from the effective date of the rider, we will pay benefits for any pre-existing condition not otherwise excluded by name or specific description if the covered confinement began more than 12 months after the effective date of the rider.

Important Words in the Rider

Covered sickness means an illness, infection, disease or any other abnormal physical condition which:

- occurs after the effective date of the rider;
- occurs while the rider is in force, and
- is not excluded by name or specific description in the rider.

Pre-existing condition means a sickness or physical condition for which a covered person was treated, received medical advice or had taken medication within 12 months before the effective date of the rider.

What Is Not Covered By The Rider

We will not pay benefits for a hospital confinement that is caused by or occurs as the result of any covered person's:

- treatment for narcotic addiction unless the covered person is addicted to a narcotic taken on the advice of a doctor; or
- treatment for dental care or dental care procedures;
- elective procedures and/or cosmetic surgery or reconstructive surgery unless it is a result of trauma, infection, or other diseases;
- having a pre-existing condition as described and limited by the rider; or
- having a psychiatric or psychological condition including, but not limited to, affective disorders, neuroses, anxiety, stress and adjustment reactions. However, Alzheimer's Disease and other organic senile dementias are covered.

We will also not pay for any hospital confinement of a newborn child following his birth unless he is injured or sick.

R-SHC-O-MN

Colonial Supplemental Insurance products are underwritten by:

Colonial Life & Accident Insurance Company

1200 Colonial Life Boulevard, Columbia, South Carolina 29210

www.coloniallife.com

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