



Hospital Recovery Insurance | New Mexico *with Observation Coverage*





Affordable insurance to assist in your recovery.

Your medical plan provides benefits to help with medical costs resulting from an inpatient hospitalization or treatment in an observation unit. Once you leave the hospital, you shouldn't have to worry about financial setbacks that you didn't expect during your recovery. Things like lost wages plus the cost for help with transportation, meals, child care, or even housekeeping can all add up. Hospital Recovery Insurance provides cash benefits regardless of any other insurance you have.

By pairing it with your medical plan, you can extend your protection to help with those unexpected costs so you can focus on your recovery.

- In 2016, the average length of a hospital stay was 4.6 days¹
- In 2016, the average cost of a hospital stay in the U.S. for adults 45-64 was \$14,500¹
- Your risk of being hospitalized almost doubles when you reach age 65²
- In 2018, 85% of covered workers faced a health insurance deductible, with average single deductibles more than doubling to \$1,573 since 2008.³

The average length of a hospital stay has declined since 2000.⁴

A shorter hospital stay may mean additional out-of-pocket expenses before a patient reaches full recovery.

¹ Agency for Healthcare Research and Quality, H-CUP Statistical Brief #246, December 2018

² National Center for Health Statistics. Health, United States, 2017: With Special Feature on Mortality. Hyattsville, MD. 2018

³ The Kaiser Family Foundation and HRET, Employer Health Benefits Annual Survey, 2018

⁴ OECD, Length of hospital stay (indicator), 2019

How might you and your family use Hospital Recovery benefits? You decide.

Hospital Recovery benefits are paid directly to you following an inpatient hospital stay discharge or treatment in an observation unit. How you use your benefits is up to you! Examples include:



- Home care assistance
- Rehabilitative services
- Medical deductibles, co-pays or co-insurance
- Child care
- Housekeeping help
- Lost wages while away from work
- Transportation to/from appointments
- Yard work
- Anything else!



A Range of Benefits is Available.

Eligible Issue Ages: 18 through 85 – simplified underwriting. This policy is guaranteed renewable for life.

Choose a Daily Benefit Amount

(any amount between \$100 and \$900, in \$10 increments)

The **Daily Benefit Amount** represents the amount payable to you for each day you or a covered family member is confined to a hospital as an inpatient – up to 35 days per calendar year, which includes up to 4 days for treatment in an observation unit. The Daily Benefit Amount is per covered family member.

The **Annual Benefit Bank** is the total dollar amount available to you and your covered family members per calendar year, and is equal to your Daily Benefit Amount multiplied by 35. The Annual Benefit Bank Amount is per covered family member. On Jan. 1 of each year, the Annual Benefit Bank will replenish to its full amount.

For example, a \$500 Daily Benefit Amount would give you and each covered family member Annual Benefit Banks of \$17,500.

\$500	X	35 Days	=	\$17,500
Daily Benefit Amount		Maximum Days		Annual Benefit Bank

Hospital Confinement Benefit

\$500 Benefit Payout for an inpatient hospital admission (*one per calendar year, per covered family member*)

This benefit is payable in addition to the policy's Daily Benefit Amount and Annual Benefit Bank.



How is your Hospital Recovery Benefit Calculated?

LifeSecure will pay a benefit directly to you based on the number of days spent in the hospital.

Calculating your benefit payout is easy! Just multiply your Daily Benefit Amount by the number of days spent in the hospital.

Benefit Payout Examples

Example 1 – INPATIENT HOSPITALIZATION

Cindy selects a Daily Benefit Amount of \$500, which gives her an Annual Benefit Bank of \$17,500. She is later hospitalized for four days after back surgery. Upon discharge, Cindy's benefit payout will be \$2,500.

Daily Benefit Amount	X	# Days in Hospital	=	\$2,000	+	Hospital Confinement Benefit*	=	Cindy's Hospital Recovery Benefit Payout
\$500		4 Days				\$500		\$2,500

* The Hospital Confinement Benefit is one per calendar year, per covered family member.

What is Cindy's remaining Benefit Bank balance?

\$17,500	–	\$2,000	=	\$15,500
Annual Benefit Bank		Benefit Payout		Remaining Benefit Bank

Example 2 – TREATMENT IN AN OBSERVATION UNIT

Scott also selects a Daily Benefit Amount of \$500. While hiking, he experiences a severe allergic reaction to a plant and is treated in the observation unit of a nearby hospital for two days. Scott's benefit payout will be \$1,000.

\$500	X	2 Days	=	\$1,000
Daily Benefit Amount		# of Days in Observation Unit		Scott's Hospital Recovery Benefit Payout

What is Scott's remaining Benefit Bank balance?

\$17,500	–	\$1,000	=	\$16,500
Annual Benefit Bank		Benefit Payout		Remaining Benefit Bank

Assuming both Cindy's and Scott's Hospital Recovery Insurance policies include coverage for their spouse and/or children, each covered family member would have their own Benefit Bank. Each person's Annual Benefit Bank will replenish to its full amount of \$17,500 on Jan. 1 of each year.

Sample Monthly Premium Rates*

Hospital Recovery Plan Design - Example #1

Daily Benefit Amount: \$100

Age	Self Only	with Spouse**	with Child(ren)	with Spouse** & Child(ren)
18-39	\$5.37	\$11.07	\$16.87	\$19.57
40-49	\$8.89	\$17.76	\$21.52	\$25.96
50-59	\$15.15	\$30.41	\$29.31	\$37.17
60-63	\$24.23	\$48.64	\$42.19	\$55.02
64-69	\$31.35	\$62.93	\$52.59	\$69.44
70-74	\$38.40	\$77.14	\$62.65	\$83.59
75-79	\$46.57	\$93.47	\$74.20	\$99.87
80-85	\$54.91	\$110.27	\$86.17	\$116.58

Hospital Recovery Plan Design - Example #2

Daily Benefit Amount: \$500

Age	Self Only	with Spouse**	with Child(ren)	with Spouse** & Child(ren)
18-39	\$15.54	\$31.93	\$45.09	\$58.46
40-49	\$26.49	\$53.07	\$56.52	\$78.62
50-59	\$46.32	\$93.06	\$74.87	\$114.14
60-63	\$75.23	\$151.09	\$106.82	\$171.13
64-69	\$98.16	\$197.14	\$133.22	\$217.47
70-74	\$121.56	\$244.10	\$159.57	\$264.33
75-79	\$148.43	\$297.96	\$189.65	\$317.95
80-85	\$175.74	\$352.97	\$220.41	\$372.69

Hospital Recovery Plan Design - Example #3

Daily Benefit Amount: \$900

Age	Self Only	with Spouse**	with Child(ren)	with Spouse** & Child(ren)
18-39	\$25.68	\$52.77	\$73.31	\$97.39
40-49	\$44.11	\$88.34	\$91.50	\$131.28
50-59	\$77.56	\$155.67	\$120.42	\$191.14
60-63	\$126.27	\$253.58	\$171.48	\$287.28
64-69	\$165.06	\$331.44	\$213.94	\$365.59
70-74	\$204.71	\$411.06	\$256.40	\$445.02
75-79	\$250.29	\$502.50	\$305.10	\$536.14
80-85	\$296.63	\$595.57	\$354.65	\$628.75

* Premium rates shown are for illustrative purposes.

** Spouse means your lawfully married spouse, civil union partner, domestic partner or legal partner. Premiums shown above assume that the spouse is in the same age-band as the primary (self) applicant.

Pre-Existing Condition Limitation: Care or treatment caused by a Pre-Existing Condition will not be covered unless it begins more than 6 months after the Policy Effective Date. If coverage for a Spouse or Dependent Child is added to this Policy after the Policy Effective Date, a Pre-Existing Condition for that person will not be covered unless care or treatment begins more than 6 months after the Coverage Change Effective Date.

Exclusions: We will not pay benefits for Injuries received in accidents or for Sicknesses which are caused, directly or indirectly by, or a result of: operating, learning to operate, or serving as a crew member of any aircraft; or engaging in hang-gliding, hot air ballooning, bungee jumping, parachuting, scuba diving, sail gliding, parasailing or any similar activities; or riding in or driving any motor-driven vehicle in a race, stunt show or speed test; or officiating, coaching, practicing for or participating in any semi-professional or professional competitive athletic contest for which any type of compensation or remuneration is received; or an illness, treatment or medical condition that is due to war or act of war which is not an act of terrorism, whether declared or undeclared, while serving in the armed forces or any auxiliary unit; or voluntarily participating in or attempting to participate in an illegal activity that is classified as a felony, whether charged or not (the term felony is as defined by the law of the jurisdiction in which the activity takes place); or dental treatment or plastic surgery for cosmetic purposes (this exclusion does not apply if the treatment or surgery is (a) due to an Injury; or (b) to restore normal bodily functions); or an illness, treatment or medical condition that results from an attempt at suicide, while sane or insane, or an intentionally self-inflicted injury within 2 years of the effective date of coverage; or being intoxicated or under the influence of alcohol, drugs or any narcotic unless administered on the advice and instructions of a Physician or other medical professional.

No benefits will be payable under this Policy for expenses or treatment of: alcoholism or drug addiction; or normal pregnancy, except for Complications of Pregnancy; or care or services provided outside the United States of America, its territories or possessions, or Canada.

THIS IS A LIMITED BENEFIT POLICY.



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