



UNIFIED LIFE INSURANCE COMPANY

Nevada

State Mandated Benefits

This insert is part of the Health Care Benefits Brochure and reflects insurance benefits mandated by the State of Nevada.

- **Eligible Employees:** An eligible employee for small employer groups of 2-50 employees is defined as an individual who is actively working with a normal work week of 30 or more hours. For employer plans of 51 or more employees, an eligible employee may work a minimum of 20 hours per week or more, as determined by the employer.
- **Eligible Dependents:** A dependent includes a child over age 19 who is unable to support himself/herself with a job because of mental retardation or physical handicap providing the child became disabled prior to reaching age 19 and the child is principally supported by the employee.
- **Newborn and Adopted Children:** When employee only or employee/spouse coverage is in effect on the date of birth of a newborn child, or the date of placement of an adopted child, the child will automatically be covered for the first 31 days following the birth or placement and coverage will terminate on the 32nd day. To continue coverage beyond 31 days, application must be made to add the child within 31 days of the date of birth or date of placement for adoption.
- **Diabetic Education Program:** This plan will pay benefits for charges for diabetic self-management education programs for individuals with diabetes and with elevated blood glucose levels induced by pregnancy when diagnosed by a health care practitioner with prescribing authority.
- **Screening Mammography:** This plan will pay benefits for charges for one baseline mammogram for a female participant who is age 35 through 39 and a mammogram each year for a female participant who is age 40 or older.
- **Pap Tests and Pelvic Exams:** This plan will pay benefits for charges for pap tests and pelvic exams for female participants age 18 or older regardless of whether the female participant is symptomatic.
- **Mastectomy Coverage:** Federal law requires that this plan pay benefits for charges for (1) reconstruction of the breast on which the mastectomy has been performed; (2) surgery and reconstruction of the other breast to produce symmetrical appearance; and (3) prostheses and physical complications of all stages of mastectomy, including lymphedemas; in a manner determined in consultation with the attending physician and the patient. In addition, state law requires that if a female participant was covered under this policy at the time of a mastectomy, benefit amounts for reconstructive surgery that begins within three years following a mastectomy must, at a minimum, equal those amounts provided for in the policy at the time of the mastectomy.
- **Inherited Metabolic Disease:** This plan will pay benefits for charges for special food products prescribed by a physician for the treatment of inherited metabolic diseases up to a maximum of \$2,500 per year.
- **Temporomandibular Joint Disorder (TMJ):** This plan will pay benefits at 50% of covered charges up to the maximum shown in Section 12 of the Schedule of Benefits.
- **Transplant Benefit:** Transplant services provided by a Preferred Transplant Provider will result in a higher level of benefit as described in the certificate of insurance. Benefits are reduced if transplant services are obtained from a non-network provider.
- **Nervous or Mental Disorders:** Benefits for the treatment of nervous or mental disorders will be paid as any other illness as described in the Unified Life Insurance Company Certificate and in accordance with the policy provisions. Treatment of severe mental illness will be subject to the limitations outlined below.
- **Severe Mental Illness:** Benefits for the treatment of a severe mental illness will be paid as any other illness up to 40 inpatient days per policy year and 40 outpatient visits per policy year. In addition, one unused inpatient day may be traded for two outpatient visits.
- **Alcoholism and Drug Abuse:** Benefits for the treatment of alcoholism and drug abuse will be paid as any other illness subject to a calendar year maximum of \$1,500 for withdrawal from psychological effects, \$9,000 for inpatient care and \$2,500 for outpatient care.
- **Prescription Drug Coverage:** Prescription drug coverage shall include any type of drug or device for contraception, as well as any type of hormone replacement therapy, which is lawfully prescribed or ordered and which has been approved by the Food and Drug Administration.
- **Colorectal Cancer Screening:** We will pay benefits for colorectal cancer screening in accordance with (1) the guidelines concerning colorectal cancer screening which are published by the American Cancer Society; or (2) other guidelines or reports concerning colorectal cancer screening which are published by nationally recognized professional organizations and which include current or prevailing supporting scientific data.
- **Dental Anesthesia:** We will pay benefits for general anesthesia expenses and hospital and ambulatory surgical center expenses for dental care provided to a child who meets the conditions specified in the policy.
- **Clinical Trials:** We will pay benefits for medical treatment a participant receives as part of a Phase II, Phase III, or Phase IV study or clinical trial for the treatment of cancer or chronic fatigue syndrome under the conditions and limitations specified in the policy.
- **Nevada State Continuation:** This plan provides for up to an 18 month continuation of coverage provision for employees (36 months for a dependent) for qualifying Nevada residents who lose coverage. This provision is mandatory for all eligible employer plans and applies to individuals who meet the terms for loss of coverage outlined in the certificate and who have been insured under this policy for at least 12 months prior to termination. This continuation would run concurrent with any COBRA continuation for which the individual may be entitled.

- **Waiting Periods for Pre-existing Conditions:** The policy excludes coverage for health care services relating to conditions for which medical advice, diagnosis, care or treatment was recommended or received within six months prior to a participant's enrollment date. The waiting period for pre-existing conditions will not exceed a period of six months (for groups with 2-50 employees) or 12 months (for groups with more than 50 employees) from the participant's enrollment date if the participant enrolled when initially eligible or during a special enrollment period, or a period of 18 months (for groups with 2-50 employees) or 12 months (for groups with more than 50 employees) if the participant is a late enrollee.

RATE AND RENEWABILITY DISCLOSURE

Many states are requiring insurance companies to establish small group health rates within specific guidelines outlined by the state. They also require companies to provide written disclosure of their rating practices to you at the time of sale.

Class of Business

This notice pertains to small employer groups who enroll for coverage, insured by Unified Life Insurance Company.

Establishing Initial Group Rates

The rating guidelines we follow were designed and developed to promote fairness in the small group marketplace. These guidelines promote fairness by acknowledging the similarities of each group while recognizing some diversity.

The premium rates for groups enrolling for coverage with us for the first time are established through projections or estimates of future claims. These projections consider the specific benefits we currently offer, as well as the projected cost of health care and anticipated medical claims, for all groups. We also consider health status or duration of coverage in establishing or adjusting rates. In addition, rates are adjusted in accordance with the laws of your particular state.

Rate Guarantees and Changes

Our current practice is to guarantee each employer group's initial rates for 6 to 12 months from the effective date of coverage. This guarantee holds true provided the group's composition, geographic location, and benefits remain unchanged. The group's rates may be adjusted during the rate guarantee period whenever any one of the following occurs:

- If a group adds or eliminates employees;
- If age and sex compositions of the group change;
- If the business moves from one geographic rate area to another; or
- If the group changes its benefits in any way.

Our rate guarantees will change with market conditions. In general, we have the right to change premium rates on any date the terms of the plan are changed or on any premium due date as long as we provide advance written notice as provided by state law.

How Rate Increases are Determined

A group's rate increase will be adjusted due to factors such as medical inflation, claims experience, duration of coverage and current market conditions. We control the group's rate increase to the sum of the following:

- A percentage change made to new business rates since the last time rates were increased for the group;
- An adjustment of up to 15% annually and adjusted pro rata for rating periods of less than a year; and
- Any adjustment due to any change in coverage or case characteristics.

How Coverage is Renewed

All employers have the option to continue coverage with us, except in any of the following situations:

- Required premiums are not paid;
- Fraud or misrepresentation of the employer or an individual;
- Noncompliance with plan provisions, including minimum participation requirements and eligibility requirements of the plan; or
- Nonrenewal of all plans by us in a particular class of business, in which case all affected participating employers will be notified in advance according to state law.

Pre-existing Conditions and Late Entrants

A pre-existing conditions provision may apply to an employee or dependent. When it does, pre-existing conditions will not be covered for a period of time or benefits will be limited under the policy. The pre-existing condition waiting period may be reduced by the length of time an employee was covered by a prior qualifying plan. Late entrants may also be excluded from coverage for a period of time. These provisions will be described in the certificates issued to the employees and will never be more restrictive than the applicable laws of your state. Please refer to your outline of coverage for a listing of exclusions, limitations and pre-existing condition provisions.