



Supplemental Medical Expense (Gap) Insurance Policy

Beazley's Supplemental Medical Expense (Gap) insurance policy helps people guard against the financial risks associated with paying out-of-pocket medical expenses, enabling them to fill gaps and protect their income and assets. In addition, receiving direct reimbursement for medical expenses not only provides financial protection for employees and their families, but also peace of mind (Note: Supplemental Medical does NOT replace health insurance. It is only available if an employer has a major medical plan in place.)

Why Supplemental Medical?

The cost of health care continues to be daunting for many Americans. According to Bankrate's financial security index survey, 60% of American households say they couldn't afford to cover a \$1,000 financial setback, such as an unexpected health expense.¹ More than half (54%) of U.S. adults say they have delayed health care or put it off completely, because they can't afford it.²

¹ Bankrate, 2018; ² PWC Health Research Institute (HRI) study, 2017

Why Beazley Supplemental Medical Expense?

Our Supplemental Medical Expense (out-of-pocket) product reimburses certain out-of-pocket medical expenses. It requires an underlying major medical plan, and works most effectively for groups with high-deductible plans. The benefit may be offered employer-funded, or employee-paid (voluntary), or a combination of the two. Coverage is offered on a guarantee issue basis with no medical underwriting. Dependent coverage is available.

We offer several benefit options (see back page for details):

- The Inpatient hospital benefit reimburses deductibles, co-pays and co-insurance incurred during hospitalization. We reimburse expenses for admissions that are due to an illness or an accident, as well as routine nursery care during an OB admission and mental/nervous hospital admission. We also reimburse expenses for admissions due to mental/nervous conditions (as long as treatment occurs in an inpatient hospital facility).
- The Outpatient hospital benefit reimburses out-of-pocket expenses incurred for certain procedures performed in select outpatient facilities.
- Additional benefit options include reimbursement of ambulance transportation, as well as indemnity coverage for physician's office/urgent care visits or prescription drug charges.

Our Product at a Glance

- Reimburses eligible inpatient and outpatient out-of-pocket expenses, plus other optional benefits
- Works well for groups with high-deductible plans (not available to groups with health savings accounts)
- Offered guarantee issue (no medical questions)
- Flexible funding options (employer-funded, employee-paid, or combination)
- Composite rates with employer funding
- Offered down to 10 lives (employees)

SUPPLEMENTAL MEDICAL EXPENSE - PLAN DESIGN OPTIONS

PLAN DESIGN	RANGE OF OPTIONS	
Funding Options	<ul style="list-style-type: none"> • May offer employer-paid, or employee-paid (voluntary), or a combination of the two 	
Underwriting	<ul style="list-style-type: none"> • Guarantee issue 	
Benefit Options	Benefit Definitions	Benefit Amounts
Inpatient hospital benefit (required benefit)	Reimburses deductibles, co-pays and co-insurance incurred during inpatient hospitalization, such as hospital room and board and other inpatient hospital expenses.	Reimbursement levels: <ul style="list-style-type: none"> • Per insured: \$500-\$6,000 • Per family: 2-3 times benefit year maximum per insured
Outpatient hospital benefit (optional benefit)	Reimburses eligible out-of-pocket expenses incurred in select outpatient facilities (each option is selected and rated at the case level): <ul style="list-style-type: none"> • Treatment in a hospital ER (not admitted). • Surgery and other Surgical procedures: <ul style="list-style-type: none"> • In outpatient hospital or surgery center. • In Physician's Office or Urgent Care facility (optional). • Radiological diagnostic testing: <ul style="list-style-type: none"> • In an outpatient hospital or MRI facility. • In Physician's Office or Urgent Care facility (optional). • Chemotherapy/Radiation Therapy performed in a licensed facility (optional). 	Reimbursement levels: <ul style="list-style-type: none"> • Per insured: (10-50% of inpatient benefit) • Per family: 2-3 times benefit year maximum per insured
Other Optional Benefits:		
Ambulance benefit	<ul style="list-style-type: none"> • Reimburses eligible out-of-pocket expenses for transportation provided by a licensed ambulance company to a hospital emergency room or trauma center. 	Reimbursement levels: <ul style="list-style-type: none"> • Per insured: \$150-\$350 • Per family: 2-3 times benefit year maximum per insured
Physician's office/urgent care visit	<ul style="list-style-type: none"> • Covers services rendered by a physician at the physician's office or urgent care facility. 	Indemnity coverage levels: <ul style="list-style-type: none"> • Per insured: \$15-\$125, 3-6 visits
Prescription drug benefit	<ul style="list-style-type: none"> • Covers prescription drug charges. 	Indemnity coverage levels: <ul style="list-style-type: none"> • Per insured: \$5-\$25 per prescription, 5-12 prescriptions
Participation Requirements	<ul style="list-style-type: none"> • Groups with 10-19 eligible employees require a minimum of 8 covered employees. • Groups with 20-49 eligible employees require a minimum of 12 covered employees. • Groups with 50-99 eligible employees require a minimum of 15 covered employees. • Groups with 100+ eligible employees require a minimum of 15% participation. 	

Contact us

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Insurance is underwritten by Beazley Insurance Company, Inc., 30 Batterson Park Road, Farmington, Connecticut, 06032. Beazley is rated A by A.M. Best. Beazley is licensed in all 50 states and the District of Columbia.

The Supplemental Medical Expense (out-of-pocket) plan is not a major medical plan. The product is designed to reimburse certain covered expenses, and is only available if an employer has a major medical plan in place. Out-of-pocket expenses submitted for reimbursement must be eligible under the major medical plan, and must meet the coverage definitions under our policy (may not include full reimbursement, if annual plan limits have been met). Riders for outpatient services performed in a physician's office/urgent care, or for outpatient chemotherapy/radiation performed in a licensed facility, may not be available in all states.

Coverage is not available in all states. Benefits may vary by state. Premium will vary based on the plan chosen. A waiting period for late entrants may apply. This policy is renewable at the option of Beazley.

Refer to the Master Policy and Certificate for all terms, conditions, exclusions and limitations. Beazley uses the services of a third party administrator.