

## MEDICAL EXPENSE REIMBURSEMENT POLICY

POLICY DATE:	
POLICYHOLDER:	
POLICY NUMBER:	

# BLISCare Insurance Policy

## Confidential Document

Surplus Lines Broker:

Address:

Signature:

License Number:

## **NOTICE:**

**Date:**

**Insured:**

## **POLICY OF INSURANCE**

[EXCESS & SURPLUS LINES CARRIER] is called Company, we/our/us. We will furnish BLISCare insurance coverage to Policyholder subject to the conditions, provisions, limitations and exceptions of the Policy issued thereunder.

This Policy is issued in consideration of the BLISCare Application Form, which is on file with Company and referenced as a part of this Policy, and the payment of premiums as stated in Endorsement #5 – Schedule of Standard Premium Rates which is attached to and issued under this Policy. The term of this Policy begins on the Policy Date for the period stated in the Policy. The term of each instance of coverage under this Policy begins on the Coverage Date stated on any Patient Data Page. All periods of insurance coverage shall begin and end at 11:59 PM, in the time zone in which a BLISCare Application Form is completed. Renewability is subject to our assent at our sole discretion.

The conditions, provisions, limitations and exceptions contained on the following pages subsequently issued hereunder are made a part of this Policy.

### **NOTICE OF TEN DAY RIGHT TO EXAMINE POLICY**

We urge you to read this Policy carefully and invite you to inquire as to any questions, concerns, or other issues regarding its coverage. If this Policy is delivered or mailed to us within ten days after it is received, the Policy will be deemed void from the beginning and as never in force and effect.

**MEDICAL EXPENSE REIMBURSEMENT POLICY**  
**ANNUALLY RENEWABLE – NONPARTICIPATING**

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<b>POLICY DATA PAGE</b>				
Policy Issue Date:		Policy Term:		
Policy Number:				
Policyholder:				
Address:				
City:		State:		Zip Code:

<b>COVERAGE FEATURE</b>	<b>REFERENCE</b>
<b>PREMIUM:</b>	As shown on Endorsement #5 - Schedule of Standard Premium Rates and on any Patient Data Page
<b>CLAIM PERIOD:</b>	As shown on any Endorsement #5 - Schedule of Standard Premium Rates and on any Patient Data Page
<b>BENEFIT PERIOD:</b>	NONE
<b>BENEFIT LIMIT:</b>	As shown on Endorsement #1 - Schedule of Covered Procedure(s) and Covered Complication(s) and on any Patient Data Page
<b>DEDUCTIBLE:</b>	As shown on Endorsement #1 - Schedule of Covered Procedure(s) and Covered Complication(s) and on any Patient Data Page
<b>DEATH BENEFIT:</b>	NONE
<b>ELIMINATION PERIOD:</b>	NONE

## ARTICLE I—DEFINITIONS

Benefit Limit means the maximum amount of expenses that are reimbursable to the Policyholder under this Policy for any Covered Procedure, as shown on Endorsement #1 – Schedule of Covered Procedure(s) and Covered Complications(s) and on any applicable Patient Data Page.

Benefit Period means the maximum number of days for which the Policyholder's Covered Expenses may be reimbursed subject to the Benefit Limit as shown on any applicable Patient Data Page.

BLISCare means the insurance product and coverage provided under this Policy.

BLISCare Application Form means the form used to apply for this Policy.

Claim Form means the form, provided by Company, that must be completed and submitted to Company to report a claim for Covered Expense.

Claim Period means the maximum number of days during which the Covered Complication is reported to Company. At the expiration of the Claim Period this insurance coverage expires, and all coverage hereunder terminates.

Company means [EXCESS & SURPLUS LINES CARRIER].

Covered Complication(s) means *only* those complications:

- (a) described under the Covered Complications section of this Policy and specifically listed on Endorsement #1 – Schedule of Covered Procedure(s) and Covered Complications(s) and on any Patient Data Page; and
- (b) which is/are diagnosed by a licensed Physician.

“Covered Complication” specifically excludes any and all other complications, including, but not limited to, complications described under the Exclusions section of this Policy.

Covered Expense means only those expenses described under the Covered Expense section of this Policy, and for which takes place within the Claim Period. “Covered Expense” specifically excludes any and all other expenses, including, but not limited to, expenses described under the Exclusions section of this Policy.

Covered Facility(s) means only that/those Facility(s) listed on Endorsement #3 – Schedule of Covered Facility(s) of this Policy and specifically listed on any Patient Data Page.

Covered Physician(s) means only those physicians listed on Endorsement #2 – Schedule of Covered Physician(s) of this Policy and specifically listed on any Patient Data Page. Notwithstanding the foregoing, if during the term of this Policy the Policyholder intends to add a physician as a “Covered Physician” hereunder, Policyholder must notify the Company within 10 days of the proposed effective date thereof. No coverage will be available under this Policy for any expenses incurred by Policyholder as a result of a procedure performed by any such physician unless the Policyholder has provided such notice to Company.

Covered Procedure(s) means only those procedures listed on Endorsement #1 – Schedule of Covered Procedure(s) and Covered Complication(s) and specifically listed on any Patient Data Page. “Covered Procedure” specifically excludes any and all other procedures, including, but not limited to, procedures described under the Exclusions section of this Policy.

Date of Covered Procedure means the date on which the Covered Procedure takes place.

Eligible Patient means any patient who has been reported to Company by Policyholder.

Patient means the person shown on any Patient Data Page upon whom a Covered Physician performs the Covered Procedure shown on such Patient Data Page.

Patient Data Page means the page attached to this Policy which names a Patient and includes the Policyholder's premium, the Covered Procedure(s), and all Covered Complication(s) as they relate to that Patient.

Policy means the Medical Complication Liability Expense Reimbursement Policy issued to the Policyholder.

Policy Date means the date on which this Policy was issued.

Policyholder means the entity to which the Policy is issued.

Reimbursement Rate means the rate at which a Covered Expense is to be reimbursed as shown on Endorsement #3 – Schedule of Covered Facility(s) and as shown on the Patient Data Page.

You/your/yours means the Policyholder.

We/our/us means [EXCESS & SURPLUS LINES CARRIER].

## **ARTICLE II—GENERAL POLICY PROVISIONS**

### **Section 2.1 - The Policy.**

The Policy, any endorsements, and the completed BLISCare Application Form are the contract between the Policyholder and us. A copy of the BLISCare Application Form is on file with Company. Only our officers may change the benefits under the Policy or waive a right or requirement. No agent may do this. Any such change or waiver must be in writing to be valid.

### **Section 2.2 – Policyholder.**

The Policyholder is named in the Policy. The Policyholder may exercise the right to:

- a. Negotiate premium rate increases or decreases with us; or
- b. Terminate this Policy.

### **Section 2.3 –Change of Policyholder.**

Changes in the designation of the Policyholder may be made by the Policyholder by written request on forms provided by us, completed by the Policyholder, and forwarded to us. After the change is recorded at our home office, it will be effective as of the date of the Policyholder's request described therein, but in no event shall such effective date be before the date on which the Policyholder provided us with notice of the change. It will not apply to any payment made or action taken by us before it was recorded.

### **Section 2.4 – Incontestability.**

All statements made in the BLISCare Application Form are representations and not warranties. No statement will be used by us in defense of a claim or to contest this Policy unless it is in the signed BLISCare Application Form. We will not contest a benefit claim under the Policy after two years from its Policy Date, except for fraud.

**Section 2.5 – Assignment.**

The benefits under the Policy, evidenced by this Policy, may not be assigned, sold, transferred or pledged as collateral for a loan or for any other purpose unless we agree to it in writing.

**Section 2.6 – Proof of Covered Complication.**

We have the right to require proof that the Patient has suffered a Covered Complication at the time reported by Claim Form directly to us.

**Section 2.7 – Proof of Covered Expense.**

We have the right to require proof that the Policyholder has incurred a Covered Expense at the time it is reported by Claim Form directly to us.

**Section 2.8 – Proof of Survival.**

We have the right to require proof that the Patient is alive at the time each Covered Expense is incurred.

**Section 2.9 – Nonparticipating.**

The Policy is a nonparticipating Policy. The Policy will not participate in our surplus earnings.

**Section 2.10 – Premium Rates.**

Premium rates are subject to change at any time by the Company and will be published in the form of an amendment to the Policy modifying Endorsement #5 – Schedule of Standard Premium Rates. Any such premium rate amendment will set forth the effective date of the premium rate change and will be sent to the Policyholder for attachment to the Policy on and as of the effective date of such change.

**ARTICLE III—BENEFIT PROVISIONS**

**Section 3.1 – Insuring Agreement.**

We will indemnify the Policyholder for Covered Expenses incurred by the Policyholder as a result of a Covered Complication arising from a Covered Procedure performed at a Covered Facility, as described on the Patient Data Page, and as reported to us on a Claim Form. Such reimbursement is specifically limited by the Claim Period, the Benefit Limit and all other provisions contained herein.

**Section 3.2 – Claim Period.**

The Claim Period begins on the day the Covered Physician performs a Covered Procedure on a Patient and lasts for the number of days shown on the applicable Patient Data Page. No benefits are payable, and this Policy of insurance terminates, if no Covered Complication occurs within the Claim Period.

**Section 3.3 – Benefit Period.**

There is no Benefit Period.

**Section 3.4 - Elimination Period.**

There is no Elimination Period.

**Section 3.5 – Benefit Limit.**

The Benefit Limit payable under this Policy is shown on the applicable Patient Data Page. No benefits are payable after the Benefit Period expires, even in the event the Benefit Limit has not been exhausted.



**Section 3.6 – Notice of Claim.**

Notice of any claim must be given to us within forty-eight (48) hours after any loss for which liability starts or occurs, or as soon after forty-eight (48) hours as is reasonably possible. Notice given by or for the Policyholder, with the Policyholder’s full name, Patient name, Certificate number, and description of the Covered Complication(s), will be deemed notice to us, if given to our representative at the following address (notice must be addressed and sent exactly as follows):

<p><b>Leavitt Risk Partners, LLC</b> 299 Main Street, Suite 2300 Salt Lake City, Utah 84111</p>
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We will send you a claim form which must be returned along with all supporting documentation concerning the Covered Complication(s).

**Section 3.7 - Death Benefit.**

There is no Death Benefit payable under this Policy.

**Section 3.8 - Taxes, Fees, and Assessments.**

Any Federal, State or Municipal taxes, or any fees or assessments, payment of which is required or authorized by law, may be deducted from the benefits payable under this Policy.

**ARTICLE IV—OTHER PROVISIONS AFFECTING BENEFITS**

**Section 4.1 – Covered Procedures.**

This Policy covers Covered Expense incurred only from one or more of the Covered Procedures specifically identified on Endorsement #1 – Schedule of Covered Procedure(s) and Covered Complication(s) and on the applicable Patient Data Page. No other procedures shall be deemed Covered Procedures, and no coverage will be available for any loss or expense incurred as a result of any procedure that is not a Covered Procedure.

**Section 4.2 –Covered Complications.**

This Policy covers Covered Expense incurred only from one or more of the Covered Complications shown on Endorsement #1 – Schedule of Covered Procedure(s) and Covered Complication(s) and on the applicable Patient Data Page arising during, and before the expiration of, the Claim Period, which is/are directly attributable to the Covered Procedure performed by the Covered Physician.

**Section 4.3 – Covered Expense.**

Covered Expense shall include only one or more of the following expenses incurred by the Policyholder as a result of a Covered Complication:

- a. Professional:
  - i. Services of the Covered Physician(s) who performed the original Covered Procedure;
  - ii. Services of registered nurses;
  - iii. Anesthetics and the administration thereof;
  - iv. Laboratory tests, but limited only to diagnostic tests;
  - v. Radiological procedures and interventional radiological procedures;
  - vi. Services of medical specialists required due to the nature of the Covered Complication, such as pulmonary, cardiovascular, etc., but only when referred by the Covered Physician;
  - vii. Ancillary services, such as physical therapy;

- b. Facilities:

- i. Hospital room and board for a semi-private room or ICU/Trauma (when required), and hospital ancillary services, including, but not limited to, use of the operating room and hospital-based physicians and nurses;
- ii. Emergency Room;
- iii. Non-hospital medical facility (medical office, surgery center, etc.);
- iv. Laboratory tests, including technician services;
- v. Oxygen and its administration;
- vi. Blood and blood derivatives that are not donated or replaced, and administration thereof;
- vii. Radiological procedures and interventional radiological procedures;
- viii. Prescription drugs prescribed and administered during the hospitalization.

Covered Expense resulting from a Covered Complication is payable only until the first to occur of:

- a. The date the Covered Complication no longer requires further hospitalization or the date the Covered Complication no longer requires follow-up physician services;
- b. The date the Benefit Limit is paid; or
- c. The expiration of the Claim Period.

#### **Section 4.4 – Termination.**

Coverage for any Covered Procedure will terminate upon the first to occur of:

- a. Expiration of the Claim Period, if no Covered Complication has occurred before that date;
- b. Payment of the Benefit Limit

#### **Section 4.5 – Refund of Premium.**

No full or partial refund of premium is available after a Covered Procedure has been performed.

#### **Section 4.6 - Exclusions.**

We will not pay any benefits under this Policy under the following circumstances:

- a. Where the otherwise Covered Complication arises due to the Patient's ingestion of illegal or legal drugs, unless such legal drugs were taken under the direction of, and as specified by, a physician;
- b. Where the otherwise Covered Complication arises due to the Patient being under the influence of intoxicants while operating any vehicle or other means of transportation or conveyance;
- c. Where the otherwise Covered Complication arises due to the patient undergoing any experimental or investigative treatments or procedures;
- d. Where the medical expenses are a result of the Patient's dissatisfaction with the cosmetic results of the original Covered Procedure, including any additional surgery to improve the cosmetic appearance of the affected area when not the result of a Covered Complication; or
- e. Any treatment for mental disorders.

We will not pay any expense for procedures, services, or supplies that:

- a. Are not medically necessary;
- b. Are for the treatment of mental illness; or
- c. Exceed the usual and customary expense for the same medical procedures, services or supplies, as determined by Company in its sole discretion.

No coverage will be available under this Policy for any loss or expense incurred as a result of, or at any time after, a revision of a previous surgical procedure, whether performed by a Covered Physician or any other physician.

#### **Section 4.7 – Physical Examination.**

We retain the right to have a physician of our choice examine your Patient or the Patient's medical records at our expense when and as often as we may reasonably require in our adjustment of your claim.

**Section 4.8 – Legal Action.**

No one can bring any action at law or in equity under this Policy or the Policy under which it is issued until the expiration of 60 days after written proof of a claim has been furnished as required by this Policy. In no case can an action be brought against us more than two years after written proof has been furnished.

**Section 4.9 – No Defense.**

No coverage will be available under this Policy for any loss or defense costs whatsoever incurred by the Policyholder in any action brought against the Policyholder or a Covered Physician by the Patient.

**Section 4.10 – Audit Rights.**

We retain the right to review medical and financial records at your office as they relate to any Patient.

**Section 4.11 – Assignment of Rights and Subrogation.**

You hereby agree to assign your right to any subsequent recovery by you of any funds from any insurance company or from any litigation relating to the Covered Expenses for any Patient, Facility, or Covered Physician up to the total amount of benefits paid by the Company in relation to that Patient, Facility, or Covered Physician. You further assign to the Company any subrogation rights in relation to those same Covered Expenses.

**Section 4.12 – Coordination of Benefits.**

Benefits payable under this Policy are always secondary to any and all other insurance coverage available as it relates to any Patient. The Policyholder has a duty to reimburse the Company for any payments made by the Company for Covered Expenses which were previously, or are subsequently, paid by any other source or method.

<b>Specialty</b>	<b>Procedure Name</b>	<b>Covered Complication</b>	<b>Benefit Limit</b>

*Notes: In order to be effective, any changes to this schedule must be provided to the Policyholder with written notification from the Company amending this Endorsement.*

## Endorsement #2 – Schedule of Covered Physician(s)

Physician #	Last Name, First Name	Procedure	Experience Adjustment
		See Note	

*Notes: Unless otherwise indicated on this form, Covered Physicians listed on this form are eligible to enroll patients for any Covered Procedures listed on Endorsement #1 – Schedule of Covered Procedure(s) and Covered Complication(s). This schedule may be modified by Policyholder providing notice to Company not more than 30 Days after a physician begins participation with the program. In order to be effective, any changes to this schedule must be provided to the Policyholder with written notification from the Company amending this Endorsement.*

### **Endorsement #3 – Schedule of Covered Facility(s)**

<b>Name</b>	<b>Physicians</b>	<b>Reimbursement Rate</b>	<b>RR Factor</b>
	See Note		

*Notes: Unless otherwise indicated on this form, Covered Physicians listed on Endorsement #2 – Schedule of Covered Physician(s) are eligible to enroll patients at any facility listed on this form. Covered Facility Endorsement and respective Reimbursement Rate. This schedule may be modified by Policyholder providing notice to Company not more than 30 Days after a facility/physician begins participation in the program. In order to be effective, any changes to this schedule must be provided to the Policyholder with written notification from the Company amending this Endorsement.*

## Endorsement #4 – Schedule of Insurance Premium Taxes and Fees

BLISCare Service Fee	State Name	Surplus Lines Tax	Stamping Fee Rate	Other Tax	Total Taxes and Fees
%		%	%	%	%

*Notes: Insurance premium tax rates are based on the home state as listed on the Policy Data Page. In order to be effective, any changes to this schedule must be provided to the Policyholder with written notification from the Company amending this Endorsement.*

<b>Endorsement #5 – Schedule of Standard Premium Rates</b>				
<b>Procedure Name</b>	<b>Claim Period</b>	<b>Benefit Limit</b>	<b>Base Premium</b>	<b>Premium After Adjustments, State Taxes, and Fees</b>
<<Procedure Name>>				

*Notes: The Covered Complications for the Covered Procedures included here are listed on Endorsement #1. These are the standard premium rate charges by Covered Procedure, by Covered Complication, subject to the Benefit Limit and Deductible as shown on Endorsement #1. Standard rates are further modified with respect to each respective Covered Physician as shown on the Covered Physician Endorsement (Endorsement #2) by his/her respective experience adjustment and is further modified by the rate factor as shown on the Covered Facility Endorsement (Endorsement #3) and the respective Reimbursement Rate. Taxes and fees will be added. In order to be effective, any changes to this schedule must be provided to the Policyholder with written notification from the Company amending this Endorsement.*