

# **STUDENT ACCIDENT AND SICKNESS INSURANCE PLAN**

*Designed for the students of:*



**5400 Ramsey Street  
Fayetteville, NC 28311-1499**

**2006—2007**

**Policy number  
US7089-06B0773**

**Please keep this outline of coverage for future reference.**



## COVERAGE

This brochure is a brief description of the benefits provided through **Methodist College** for full time students for the 2006-2007 academic year. The policy term is for the 2006-2007 academic year and will cover students from the first to the last date a student is required to be on campus. Coverage will continue in force during the summer, provided the student remains registered for full-time for each subsequent academic session.

Students with a large deductible on their primary insurance plan or an HMO or PPO plan that excludes all out-of-network services will benefit from the coverage provided by this plan.

## EXCESS COVERAGE PROVISION

Your benefits are payable for **covered expenses** not otherwise covered and payable by any other plan providing medical expense benefits. If there are no other valid and collectible benefits available from any other source, this plan will pay the **covered expenses** up to the limits of the policy.

## SUBROGATION

When benefits are paid to or for a **covered person** under the terms of this policy, we shall be subrogated, unless otherwise prohibited by law, to the rights of recovery of such person against any person who might acknowledge liability or is found legally liable by a Court of competent jurisdiction for the **sickness** or **injury** that necessitated the hospitalization or the medical or the surgical treatment for which the benefits were paid. Such subrogation rights shall extend only to the recovery by us of the benefits we have paid for such hospitalization and treatment and we shall pay fees and costs associated with such recovery.

The **covered person** agrees to sign papers and do whatever else is necessary to transfer their rights to us. We will exercise such rights on their behalf. The **covered person** further agrees to furnish us with all relevant information and documents.

## DEFINITIONS

**Accident** means a specific unforeseen event which happens while the **covered person** is covered under this policy and which directly, and from no other cause, results in **injury**.

**Covered Expense** means charges:

- Not in excess of the **usual, reasonable and customary** charge;
- Not in excess of the maximum benefit amount payable per service as shown in the Description of Benefits;
- Made for medical services and supplies not excluded under the policy;
- Made for services and supplies which are **medically necessary**; and
- Made for medical services specifically included in the Description of Benefits.

**Covered Person** means an eligible student.

**Doctor** means a licensed practitioner of the healing arts acting within the scope of his license.

**Doctor** does not include:

- You;
- Your spouse, dependent, parent, brother, or sister; or
- A person who ordinarily resides with you.

**Hospital** means an institution;

- Operated pursuant to law;
- Primarily and continuously engaged in providing medical care and treatment to sick and injured persons on an inpatient basis;
- Under the supervision of a staff of **doctors**;

- Providing 24-hour nursing service by or under the supervision of a graduate registered nurse, (R.N.);
- With medical, diagnostic and treatment facilities, and with major surgical facilities on its premises; or available on a prearranged basis; and
- Charging for its services.

**Hospital** does *not* include a clinic or facility for:

- Convalescent, custodial, educational or nursing care;
- The aged, drug addicts or alcoholics (except as stated below); or
- Rehabilitation.

For treatment of chemical dependency the definition of **hospital** includes a treatment center which provides a program for treatment of chemical dependency according to a written treatment plan approved and monitored by a **doctor**. Such facility must be: 1) affiliated with a **hospital** under a contract agreement with an established system of outpatient referrals; or 2) accredited as such by the Joint Commission on Accreditation of Hospitals; or 3) licensed as a chemical dependency treatment program; or 4) licensed, certified or approved as an chemical dependency treatment program or center by any state agency having legal authority to so license, certify or approve.

**Injury** means bodily harm resulting, directly and independently of disease or bodily infirmity, from an **accident**. All **injuries** to the same person sustained in one **accident**, including all related conditions and recurring symptoms of **injuries** will be considered one **injury**.

**Medically Necessary** means those services or supplies provided or prescribed by a **hospital** or **doctor**:

- Essential for the symptoms and diagnosis or treatment of the **sickness** or **injury**;
- Provided for the diagnosis, or the direct care and treatment of the **sickness** or **injury**;
- In accordance with the standards of good medical practice;
- Not primarily for your convenience or that of your **doctor**; and
- That are the most appropriate supply or level of service that can safely be provided.

**Natural Teeth** means **natural teeth** or teeth where the major portion of the individual tooth is present, regardless of fillings or caps, and is not carious, abscessed, or defective.

**Physiotherapy** means any form of the following:

physical or mechanical therapy; diathermy; ultra-sonic therapy; heat treatment in any form; manipulation or massage administered by a **doctor**.

**Sickness** means illness or disease of the **covered person**. **Sickness** includes normal pregnancy and complications of pregnancy. All related conditions and recurring symptoms of **sickness** will be considered one **sickness**.

**Usual, reasonable and customary (URC)** means:

- Charges and fees for medical services or supplies that are the lesser of: The usual charge by the provider for the service or supply given; or the average charged for the service or supply in the area where service or supply is received; and
- Treatment and medical service that is reasonable in relationship to the service or supply given and the severity of the condition.

## EXTENSION OF BENEFITS

The coverage under this policy ceases on the expiration date for **covered persons** who are not eligible to continue coverage under the new or renewal policy issued to the Institution. If, however, on the expiration date, the **covered person** is confined to a **hospital** for a condition covered by this policy, benefits will be extended for the condition for up to 30 days after the

expiration date as long as the **covered person** remains **hospital** confined.

**TO BE ELIGIBLE FOR REIMBURSEMENT A CLAIM FORM MUST BE SUBMITTED WITHIN 180 DAYS FROM THE DATE OF INJURY OR FIRST TREATMENT FOR SICKNESS.**

## DESCRIPTION OF BENEFITS

### HOSPITAL & SURGICAL PROVISIONS:

1. **Hospital** room and board are included up to the semi-private room rate;
2. When more than one surgical procedure is performed at the same time, through the same incision, the highest payment will be for the surgery which costs the most. We will pay a maximum of 50% for a second surgical procedure and 25% for the third surgical procedure;
3. Services of an assistant surgeon are included, up to 25% of the amount payable for the surgery;
4. Services of an anesthetist who is not employed or retained by the **hospital** are included, up to 25% of the amount payable for the surgery;
5. If the Insured student is admitted into the **hospital** on a Friday or Saturday on a non-emergency basis and the procedure for which the student is admitted is not performed on the date of or the date after the admission, We will not pay the **hospital** room & board or miscellaneous Expenses for the initial Friday or Saturday preceding the procedure.

Expenses incurred on an outpatient basis for **physiotherapy** due to an **accident** or **sickness** is limited to \$300 unless specifically ordered by an orthopedic doctor. **Physiotherapy** includes any form of physical or mechanical therapy, diathermy, ultrasonic therapy, heat treatment in any form, manipulation or massage.

### BASIC ACCIDENT BENEFIT: \$2,500

This benefit is provided by the College to all eligible students for the 9-month academic year. Coverage for intercollegiate athletic **injuries** is provided under a separate plan.

When your **injury** requires (a) treatment by a **doctor**; (b) **hospital** services; (c) services of a licensed practical nurse or RN; (d) x-ray service; (e) use of operating room, anesthesia, laboratory service; (f) use of an ambulance; (g) use of an ambulatory surgical center or ambulatory medical center; (h) if ordered by a **doctor**, prescription medicines, drugs, or any other therapeutic services or supplies; or (i) home health care, we will pay the **covered expense** incurred within (104) weeks after the date of the **accident** up to a maximum of \$2,500 within the U&C. This benefit includes coverage for treatment of **injury** to **natural teeth**.

Initial medical treatment must be incurred within 90 days from the date of the **accident**.

### SICKNESS INPATIENT BENEFIT: \$3,000

When your **sickness** requires **hospital** confinement (18 consecutive hours or more), we will consider the **covered expenses** incurred by you to the aggregate limit of \$3,000. Expenses are covered provided you are a **covered person** during the time the **covered expense** is incurred.

- The covered percentage is 100% of **URC** for the first \$500, then 80% thereafter up to the maximum;
- **Hospital** miscellaneous charges are included;
- Surgery charges are included based on the MDR (Medical Data Research) survey of surgical fees valued at the 90th percentile;
- In **hospital doctor** charges are included.

**SICKNESS OUTPATIENT BENEFIT: \$500**

A **REFERRAL** from the Student Health Center must be secured for outpatient treatment. This provision is waived in case of a medical emergency or when the Student Health Center is not accessible.

If, while not confined to a **hospital**, your **sickness** requires emergency room services, ambulance service, diagnostic x-ray or laboratory services, the services of a **doctor**, prescribed medicines and therapeutic services or supplies, we will consider the **covered expense** up to the combined maximum limit of \$500 of **URC** per **sickness**.

**Outpatient Mental Illness and Chemical & Substance Abuse** If, while not confined to a **hospital**, your **sickness** requires the services of a licensed psychiatrist, **doctor**, or psychologist, prescriptions or lab expenses, we will pay the **covered expense** the same as any other **sickness**.

**Pap Smear Expense Benefit:** We shall pay for an annual cervical smear or Pap smear test for female **covered persons**.

*The maximum limit for all combined sickness Outpatient Expenses shown above may not exceed \$500 per sickness.*

**OUTPATIENT SURGICAL EXPENSE: \$2,000**

*If, while not confined to a hospital, your sickness requires surgery, we will consider the covered expenses subject to the Hospital & Surgical Provisions to the \$2,000 maximum limit.*

Treatment for bony impacted wisdom teeth or dental abscesses is limited to a maximum of \$100 per tooth, \$400 total.

*The maximum limit for all combined sickness Outpatient Surgical Expenses shown above may not exceed \$2,000 per sickness.*

<p><b>ALL BENEFITS COMBINED MAY NOT EXCEED THE AGGREGATE LIMIT OF \$2,500 PER ACCIDENT OR \$3,000 PER SICKNESS.</b></p>
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*Any expense not specifically listed in the preceding sections is not covered.*

**ADDITIONAL BENEFITS**

**Colorectal cancer examinations and laboratory tests** in accordance with recently published American Cancer Society guidelines or guidelines adopted by the North Carolina Advisory on Cancer Coordination and Control for colorectal cancer screening, for any asymptomatic **covered person** who is:

- a. At least 50 years of age; or
- b. Less than 50 years of age and at high risk for colorectal cancer according to the most recently published colorectal cancer screening guidelines of the American Cancer Society or guidelines adopted by the North Carolina Advisory on Cancer Coordination and Control.

### **Newborn hearing screening** when ordered by the attending **doctor**

**Clinical Trials** - Participation in phase II, phase III and phase IV covered clinical trials by a covered person who meets protocol requirements of the trials and provide informed consent. To the extent that they are not funded by national agencies, commercial manufacturers, distributors or other research sponsors of participants in clinical trials, covered expenses include those medically necessary services and supplies associated with participation in a covered clinical trial, including those related to health care services typically provided absent a clinical trial, the diagnosis and treatment of complications and medically necessary monitoring, that are:

- a. Provided for the diagnosis, treatment, cure or relief of an **injury, sickness**, health condition or disease.
- b. Not for experimental, investigational or cosmetic purposes.
- c. Necessary for and appropriate to the diagnosis, treatment, cure or relief of an **injury, sickness**, health condition, disease or its symptoms.
- d. Within generally accepted standards of medical care in the community.
- e. Not solely for the convenience of the **covered person**, his family or the provider.

For medically necessary services, we may compare the cost-effectiveness of alternative services or supplies when determining which of the services or supplies will be covered.

No benefits will be provided for non-FDA approved drugs provided or made available to a patient who received the drug during a covered clinical trial after the clinical trial has been discontinued.

Clinical trial costs will not include the costs of services that are not health care services, those provided solely to satisfy data collection and analysis needs, those related to investigational drugs and devices and those that are not provided for the direct clinical management of the patient. If a claim contains charges related to services for which coverage is provided under the policy and those charges have not been or cannot be separated from costs related to services for which coverage is not provided, we may deny the claim.

Covered clinical trials means phase II, phase III and phase IV patient research studies designed to evaluate new treatments, including prescription drugs and that: (a) involve the treatment of life-threatening medical conditions; (b) are medically indicated and preferable for that patient compared to available noninvestigational treatment alternatives; and (c) have clinical and preclinical data that shows the trial will likely be more effective for that patient than available noninvestigational alternatives. Covered clinical trials must also meet the following requirements:

- a. Must involve determinations by treating physicians, relevant scientific data and opinions of experts in relevant medical specialties.
- b. Must be trials approved by centers or cooperative groups that are funded by the National Institutes of Health, the Food and Drug Administration, the Centers for Disease Control, the Agency for Health Care Research and Quality, the Department of Defense or the Department of Veterans Affairs.
- c. Must be conducted in a setting and by personnel that maintain a high level of expertise because of their training, experience and volume of patients.

**Mammography screening and pap smears** for female **covered persons** as follows:

- a. One or more mammograms a year when recommended by a **doctor**, for any women who are at risk for breast cancer. A woman at risk: i) has a personal history of breast cancer; ii) has a personal history of biopsy-proven benign breast disease; iii) has a mother, sister or daughter who has or had breast cancer; or iv) has not given birth prior to age 30.

- b. One baseline mammogram for woman 35 through 39, inclusive.
- c. A mammogram every other year for any woman ages 40 through 49, or more often when recommended by a **doctor**.
- d. A mammogram every year for woman age 50 and over.
- e. One Pap smear per year or more often if recommended by a **doctor**. This includes examination, laboratory fees and the **doctor's** interpretation of the laboratory results.

**Prostate-specific antigen (PSA) tests** or equivalent tests for the presence of prostate cancer when recommended by a **doctor** for male **covered persons**.

**To the extent prescription drugs are covered, we will cover any drug that has been prescribed for treatment of a type of cancer** for which the drug has not been approved by the United States Food and Drug Administration (FDA). However such drug must be approved by the FDA and must have been proven effective and accepted for the treatment of the specific type of cancer for which the drug has been prescribed in any one of the following established reference compendia:

- The American Medical Association Drug Evaluation;
- The American Hospital Formulary Service Drug Information; or
- The United States Pharmacopoeia Drug Information.

Benefits will not be paid for any experimental or investigative drug that the FDA has determined to be contraindicated for treatment of a specific type of cancer for which the drug has been prescribed.

**Treatment of a congenital malformation** of a newborn, adopted or foster child who is insured under the policy. This specifically includes treatment and care needed by **covered persons** born with cleft lip and cleft palate.

**Treatment of temporomandibular joint (TMJ) dysfunction.** This includes splinting and use of intraoral prosthetic appliances to reposition the bones. It does not include orthodontic braces, crowns, bridges, dentures, treatment for periodontal disease, dental root form implants or root canals. Benefits for therapeutic procedures and nonsurgical treatment of TMJ are subject to the lifetime maximum shown for this benefit in the Schedule for each **covered person**.

**Medically appropriate and necessary services used to treat diabetes.** This includes diabetes outpatient self-management training and educational services and equipment, supplies, medications and laboratory procedures. Diabetes outpatient self-management training and educational services will be covered when provided by a **doctor** or a health care professional designated by the **doctor**. We will determine who shall provide and be reimbursed from the diabetes self-management training and educational services.

**Reconstructive breast surgery** resulting from a mastectomy. This includes all four stages and revisions of reconstructive breast surgery performed on a no diseased breast to establish symmetry when reconstructive surgery on a diseased breast is performed. Reconstruction of the nipple/areolar complex following a mastectomy is covered without regard to the lapse of time between the mastectomy and the reconstruction, subject to approval of the treating **doctor**.

Further, the decision whether to discharge a **covered person** following a covered mastectomy is made by the attending **doctor** in consultation with the **covered person** and the length of post mastectomy **hospital** stay will be based on the unique characteristics of the **covered person** taking into consideration her health and medical history.

"Mastectomy" means the surgical removal of all or part of a breast as a result of breast cancer or breast disease.  
"Reconstructive breast surgery" means surgery performed as a result of a mastectomy to reestablish symmetry between the two breasts, and includes reconstruction of the mastectomy site, creation of a new breast mound and

creation of a new nipple/areolar complex. It also includes augmentation mammoplasty, reduction mammoplasty and mastopexy of the nondiseased breast.

**To the extent prescription drugs are covered, prescription contraceptive drugs or devices,** including insertion or removal of and any **medically necessary** examination associated with the use of the prescribed contraceptive drug or device. The same **deductible** and **coinsurance** will apply to prescription contraceptive drugs and devices. However for those drugs or devices that are inserted or prescribed and do not have to be refilled on a periodic basis, the total **coinsurance** will be based on the useful life of the drug or device. This **coinsurance** must be paid in advance.

Prescription contraceptive drugs or devices means drugs or devices that prevent pregnancy and that are approved by the United States Food and Drug Administration for use as contraceptives and obtained under a prescription written by a health care provider authorized to prescribe medications under North Carolina law. Prescription drugs or devices do not include: (a) the prescription drug known as "RU-486" or an equivalent drug product as described in G.S. 90-85-27(1); or (b) the prescription drug marketed under the name "Preven" or any equivalent drug product as defined in G.S. 90-85.27(1).

**Scientifically proven and approved bone mass measurement** for a qualified insured for the diagnosis and evaluation of osteoporosis or low bone mass. Bone mass measurement will be covered when at least 23 months have elapsed since the **covered person's** last bone mass measurement was performed, except any follow up measurements deemed to be **medically necessary** by the **covered person's doctor**.

A qualified insured is any one or more of the following: (a) a person who is estrogen-deficient and at clinical risk of osteoporosis or low bone mass; (b) a person with radiographic osteopenia anywhere in the skeleton; (c) a person who is receiving long-term glucocorticoid (steroid) therapy; (d) a person with primary hyperparathyroidism; (e) a person who is being monitored to assess the response to or efficacy of commonly accepted osteoporosis drug therapies; (f) a person who has a history of low-trauma fractures; (g) a person with other conditions or on medical therapies known to cause osteoporosis or low bone mass.

Anesthesia and **hospital** or facility charges for services performed in a **hospital** of ambulatory surgical center in connection with dental procedures for and Hospital charges for:

- a. Covered **dependent** children under age nine;
- b. **Covered Persons** with serious mental or physical conditions; and
- c. Covered Persons with significant behavioral problems

The **covered person's** dentist or **doctor** must certify that because of the **covered person's** age or condition hospitalization is necessary in order to safely and effectively perform the dental procedure.

## **EXCLUSIONS**

This policy does not cover loss nor provide benefits for:

- Services and supplies furnished normally without charge by the participating institution's infirmary, its employees, or doctors who work for the participating institution;
- Normal health checkups, preventive testing or treatment, screening exams or testing in the absence of **sickness** or **injury**, except as specifically provided in the policy;
- Eye examinations, prescriptions or fitting of eyeglasses and contact lenses, or other treatment for visual defects and problems, unless payable as a **covered expense** associated with an **injury** covered by the policy;
- Hearing examinations or hearing aids, or other treatment for hearing defects and problems, unless payable as a **covered expense** associated with an **injury** covered by the policy;

- Dental treatment, except as specifically provided for in the Description of Benefits;
- War or any act of war, declared or undeclared, or while in the armed forces of any country;
- Participation in a riot or civil disorder, commission of or attempt to commit a felony, or fighting, except in self-defense;
- **Injury** of any **covered person** sustained while: participating in intercollegiate sports contest or competition, unless specifically listed in the schedule; traveling to or from such sport, contest or competition as a participant; or during participation in any practice or conditioning program for intercollegiate sports;
- Skydiving; parachuting or bungi-cord jumping, hang gliding, glider flying, parasailing, sail planing, or flight in any kind of aircraft, except while riding as passenger on a regularly scheduled flight of a commercial airline;
- Treatment in a military or Veterans **Hospital** or a **hospital** contracted for or operated by a national government or its agency unless; The services are rendered on an medical emergency basis and a legal liability exists for the charges made on behalf of a **covered person** for the services given in the absence of insurance;
- Elective surgery and elective treatment, except as required to correct an **injury** for which benefits are otherwise payable under the policy;
- Any loss covered by state or federal worker's compensation law, employers liability law, occupational disease law, or similar laws or act;
- Expense for knee orthopedic devices unless prescribed for use during post-surgical physical therapy;
- For international students, expenses incurred within your home country or country of regular domicile;
- The part of medical expense payable by any automobile insurance policy without regard to fault;
- Any **accident** where the **covered person** is the operator of a motor vehicle and does not possess a current and valid motor vehicle operator's license;
- Preventative medicines, serums, vaccines;
- Intentionally self-inflicted **injury**, suicide or any attempt threat;
- **Injury** caused by, contributed to or resulting from the use of alcohol, controlled substance, illegal drugs, or any drugs or medicines that are not taken in the dosage or for the purpose prescribed by the person's **doctor**;
- Expenses to the extent that they are paid or payable under other valid and collectible group insurance or medical prepayment plan.

#### **LIMITATIONS**

Benefits payable under this plan will be reduced by 50% under the following circumstances:

**For surgical benefits:** if the **covered person** has coverage under an HMO, PPO or similar arrangement; and the **covered person** does not use the facilities of the HMO, PPO or similar arrangement for provision of benefits.

**For outpatient benefits:** if the **covered person** does not attempt to obtain an out-of-network authorization or a referral from their managed care provider to get treatment.

The 50% reduction in benefits will not apply to emergency treatment required within 24 hours after an **accident or emergency medical condition** which occurred outside the geographic area serviced by the HMO, PPO or similar arrangement.

<p><b><i>TO BE ELIGIBLE FOR REIMBURSEMENT A CLAIM FORM MUST BE SUBMITTED WITHIN 180 DAYS FROM THE DATE OF INJURY OR FIRST TREATMENT FOR SICKNESS.</i></b></p>
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## CLAIM PROCEDURES

In the event of an **accident** or **sickness**, you should:

- 1) Report your **accident** or **sickness** to the Student Health Services. A REFERRAL must be secured from the Student Health Services for outpatient treatment, **except:** a) In case of an emergency; b) When the Student Health Services is closed or between semester breaks or during the summer.
- 2) File all charges with your primary insurance carrier first. If you are insured by an HMO/PPO, you must obtain pre-authorization for all services rendered or benefits will be reduced by 50%.
- 3) If the other insurance does not pay the entire bill, secure a claim form and instructions from the Student Health Services, fill in the necessary information, attach all itemized medical and **hospital** bills along with the explanation of benefits from your primary carrier (if you have other insurance) and mail them to the address on the claim form or below:

**Summit America Insurance Services, LC**  
7400 College Blvd, Suite 120  
Overland Park, KS 66210  
Phone: 800-926-3441  
Fax: 913-327-7520  
E-mail: [EIIA@summitamerica-ins.com](mailto:EIIA@summitamerica-ins.com)



- 4) Identify all subsequent information relating to your claim with your name; the institution name; the policy number; and the initial date of **injury** or **sickness**.

## FAIRMONT SPECIALTY PRIVACY PRACTICES

We maintain physical, electronic and procedural safeguards that comply with federal standards to protect your personal information. We do not use or disclose your information for any fundraising, marketing or research activities.

We use and disclose your information to determine your eligibility for plan benefits, to facilitate payment for treatment and services provided to you, to coordinate benefits and to carry out other necessary insurance-related activities. We use or disclose the minimum information necessary to process a claim or answer a claim inquiry. We may also disclose your information to law or government agencies when required by law.

Under the privacy laws, you have unlimited access to your information. You may limit how we use and disclose your information and get a listing of instances where it was disclosed. You may request that we correct inaccurate information or add missing information.

If you have any questions about your rights, our Privacy Practices or you want to file a complaint, please contact our Privacy Officer at: 1 (800) 926-3441.

This outline of coverage is intended only for quick reference and does not limit or amplify the coverage as described in the master policy which contains complete terms and provisions. A copy of the master policy is on file with the Institution.

Administered by:



educational & institutional insurance administrators, inc.

Underwritten by:

United States Fire Insurance Company,  
By Fairmont Specialty, a Division of Crum & Forster

