



Group Cancer & Critical Illness Insurance Proposal

Prepared for: State Firefighters' & Fire Marshals' Association of Texas

Presented by: VFIS of Texas / Winstar Insurance Group

Proposal prepared on:

Proposal effective date:

Thursday, August 01, 2019

Standard Insurance Company



Proposed Effective Date:

Presented By:

Prepared For:

August 1, 2019

Winstar Insurance Group

State Firefighters' & Fire Marshals'
Association of Texas



Group Critical Illness Insurance

Medical insurance alone can't stop a major diagnosis from draining an employee's finances. Copays, deductibles, alternative treatments — these unexpected expenses add up quickly. Critical Illness insurance gives your employees an affordable option for easing the financial burden that can come with a serious illness. Under this plan, children are covered automatically at no extra cost.

Covered Members

An active member in the Active Membership class as defined in Article II - Membership in the State Firefighters' and Fire Marshals' Association of Texas Constitution and Bylaws. Retirees and other Membership classes are not eligible for coverage.

Class Definition: All eligible

Employer selects one plan design to offer to employees

Plan Design

Plan Level

Premier

Covered Critical Illnesses

- Cancer
- Carcinoma In Situ
- End-stage Renal (Kidney) Failure
- Major Organ Failure
- Myocardial Infarction (Heart Attack)
- Severe Coronary Artery Disease with Recommendation of Bypass
- Stroke
- Coma
- Paralysis
- Loss of Hearing, Sight, or Speech
- Occupational Hepatitis
- Occupational HIV
- Advanced Alzheimer's Disease
- Advanced Multiple Sclerosis
- Advanced Parkinson's Disease
- Amyotrophic Lateral Sclerosis
- Benign Brain Tumor
- Bone Marrow Transplant
- 21 childhood diseases¹

Family Coverage

Employee/Spouse; Child(ren)

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Plan Level	Premier
Coverage Amount: Employee	\$10,000
Coverage Amount: Spouse	\$10,000
Coverage Amount: Child	25% of the Employee Amount
Guarantee Issue (Employee)	\$10,000
Guarantee Issue (Spouse)	\$10,000
Guarantee Issue (Children)	25% of the Employee Amount

Plan Level	Premier
Portability	Included
Reoccurrence	25%

*Carcinoma in situ and Severe Coronary Artery Disease with Recommendation of Bypass are paid at 25% of the coverage amount. All other critical illnesses are paid at 100% of the coverage amount unless otherwise indicated.

Navigator Mobile

We are pleased to offer your employees use of our innovative Navigator Mobile tool. Navigator Mobile lets employees view all their benefits information where and when they need it. Please see the attached proposal for further information.

continued



Additional Plan Design Details:

- ¹Covered Child critical illness: Anal Atresia, Anencephaly, Biliary Atresia, Cerebral Palsy, Cleft Lip or Cleft Palate, Club Foot, Coarctation of the Aorta, Cystic Fibrosis, Diaphragmatic Hernia, Down's Syndrome, Gastroschisis, Hirschsprung's Disease, Hypoplastic Left Heart Syndrome, Infantile Hypertrophic Pyloric Stenosis, Muscular Dystrophy, Omphalocele, Patent Ductus Arteriosis, Spina Bifida Cystica with Myelomeningocele, Tetralogy of Fallot, Transposition of the Great Arteries.
- Issue age 18-70 for Employee and Spouse; birth to age 26 for children.
- Spouse Coverage cannot exceed 100% of the Employee Amount.
- Initial diagnosis of covered critical illness must occur while the insured is covered under the group policy. Benefits will not be paid for a diagnosis that occurs prior to the effective date.
- Benefits paid under the Critical Illness Insurance policy when purchased with employee post-tax income are excluded from claimant gross income under current federal tax law.
- We require evidence of insurability for:
 - Elective increases in coverage amount by member or spouse.
 - Late entrants.
- Coverage terminates at age 80 for employee and spouse. Child coverage terminates at age 26.
- Portability is automatically included. Employees are able to take their Critical Illness coverage with no change in coverage or rates.
- Additional Occurrence Benefit: The amount payable for any additional covered critical illness that is different and subsequent to an initial critical illness is 100% of the coverage amount. The required diagnosis or recommendation for a different and subsequent critical illness must be made at least 90 days after the preceding critical illness.
- Reoccurrence Benefit:
 - If a critical illness benefit is payable and there is a subsequent diagnosis or recommendation for the same critical illness, a reoccurrence benefit equal to 25% of the coverage amount is payable if the insured meet both of the following:
 - The insured has been continuously insured under the group policy between the initial and subsequent diagnosis or recommendation
 - The insured has served a 12 month treatment free period during such continuous insurance.
- Includes ongoing open enrollment with Guarantee Issue.
- Loss of Hearing does not include loss of hearing that can be corrected to hear sounds above 70 decibels by the use of any hearing aid or device.
- Loss of Sight means an initial diagnosis of entire, uncorrectable, and irrecoverable loss of sight due to an accident or a disease.
- The diagnosis must:
 - Be made while insured under the Group Policy.
 - Be made by a Physician who is board certified as an ophthalmologist.
 - Be based on evidence of sight in the better eye being reduced to a best-corrected visual acuity of 20/200 (Snellen or E-Chart Acuity) and visual field restriction to 20° or less in both eyes.
 - For a Child, occur after age 3.
- Loss of Speech means an initial diagnosis of entire, uncorrectable, and irrecoverable loss of the ability to speak due to an accident or disease.
- The diagnosis must:
 - Be made while insured under the Group Policy.
 - Be made by a Physician who is board certified as a neurologist or otolaryngologist. The date of diagnosis for complete loss of speech is the date of certification of total and permanent loss of speech.
 - Not be due to coma, psychiatric impairment, or stroke.
 - For a Child, occur after age 3.

continued



Additional Plan Design Details:

Cancer means an initial diagnosis of any malignant tumor or neoplasm with histological confirmation, characterized by the uncontrolled growth of malignant cells and invasion of tissue beyond the initial tissue (invasive).

The diagnosis must:

- Be made while insured under the Group Policy.
- Be made by a Physician who is board certified as a pathologist or oncologist.
- Be based on pathological or clinical evidence.

Cancer includes:

- Leukemia
- Lymphoma
- Sarcoma
- Malignant melanoma
- Other skin malignancies that have been histologically classified as having caused invasion beyond the epidermis with a Clark's level III or greater, Breslow's depth of 0.75mm or greater, or AJCC TNM stage II or greater are included.

Conditions that are not invasive cancer are not included. Such conditions include, but are not limited to:

- All cancers which are histologically classified as pre-malignant, non-invasive, carcinoma in situ, having borderline malignancy, or having low malignant potential.
- Benign tumors or polyps.
- Early prostate cancer that is histologically classified as T1N0M0 or equivalent staging.
- Chronic lymphocytic leukemia that is histologically classified as Rai Stage 0 or Binet Stage A.
- Any skin cancer not previously incorporated in this definition, including:
- Cutaneous lymphoma.
- Melanoma that is histologically classified as Clark's level I or II;; Breslow's depth of less than 0.75mm;; or AJCC TNM stage 0 or I.

Carcinoma in Situ means an initial diagnosis of cancer in which the tumor or cells still lie within the tissue of origin without invading neighboring tissue or regional lymph nodes.

The diagnosis must:

- Be made while insured under the Group Policy.
- Be made by a Physician who is board certified as a pathologist or oncologist.
- Be based on pathological or clinical evidence.

Carcinoma in Situ includes, but is not limited to:

- Early prostate cancer that is histologically classified as T1N0M0 or equivalent staging.
- Chronic lymphocytic leukemia that is histologically classified as Rai Stage 0 or Binet Stage A.
- Cutaneous lymphoma.
- Melanoma not invading the reticular (lower) dermis that is histologically classified as one of the following:
- Clark's level I or II.
- Breslow's depth of less than 0.75mm.
- AJCC TNM stage 0 or I.

Carcinoma in Situ does not include: lesser skin malignancies (such as basal cell and squamous cell carcinomas, pre-malignant lesions, intra-epithelial neoplasia, benign tumors or polyps.

Employee Blended Monthly Premiums All Ages

Benefit Amount

Premier

\$10,000

\$14.20

* Children are included at 25% of the employee's benefit amount.

* Rates displayed above represent the rate for each adult covered under the plan. Rates are not a combined rate for employee and spouse.

Exclusions and Limitations

Benefits are not payable if a critical illness is caused or contributed to by any of the following:

- War or act of war.
- Attempted suicide or other intentionally self-inflicted Injury, while sane or insane.
- Committing or attempting to commit an assault, felony, act of terrorism, or actively participating in a violent disorder or riot.
- The voluntary use or consumption of any poison, chemical compound, drug, or alcohol in excess of the legal limit in the state in which the critical illness occurred, unless used or consumed according to the directions of a Physician.
- Initial diagnosis outside of the United States.
- Elective surgery or other procedure which:

Does not promote the proper function of the body or prevent or treat sickness or injury.

Is directed at improving the insured's appearance, unless such cosmetic surgery or procedure is necessary to correct a deformity resulting from a congenital abnormality or disfigurement.

This exclusion will not apply to a critical illness caused or contributed to by donation of an organ or tissue.

continued

Plan ID: 8