

IMPORTANT INFORMATION ABOUT THE COVERAGE YOU ARE BEING OFFERED

Save this statement! It may be important to you in the future. The Washington State Insurance Commissioner requires that we give you the following information about fixed payment benefits.

This coverage is not comprehensive health care insurance and will not cover the cost of most hospital and other medical services.

This disclosure provides a very brief description of the important features of the coverage being considered. It is not an insurance contract and only the actual policy provisions will control. The policy itself will include in detail the rights and obligations of both the master policyholder and Pan-American Life Insurance Company.

This coverage is designed to pay you a fixed dollar amount regardless of the amount that the provider charges. Payments are not based on a percentage of the provider's charge and are paid in addition to any other health plan coverage you may have.

CAUTION: If you are also covered under a High Deductible Health Plan (HDHP) and are contributing to a Health Savings Account (HSA), you should check with your tax advisor or benefit advisor prior to purchasing this coverage to be sure that you will continue to be eligible to contribute to the HSA if this coverage is purchased.

The benefits provided under the policy are summarized in your certificate.

In this Notice, "we," "us," and "our" refer to Pan-American Life Insurance Company.

Your certificate does contain exclusions and limitations that may exclude, eliminate, restrict, reduce, limit, or delay payment of the benefits described above.

GENERAL EXCLUSIONS AND LIMITATIONS

Benefits are not provided for loss, Injury or Illness of a Covered Person which results directly or indirectly, wholly or partly from:

- A. Insurrection, rebellion, participation in a riot, commission of or attempting to commit an assault, battery, felony, or act of aggression.
- B. Declared or undeclared war or acts thereof.
- C. Accidental Bodily Injury occurring while serving on full-time active duty in any Armed Forces of any country or international authority (any premium paid will be returned by Us pro-rata for any period of active-full time duty).
- D. Any Injury or Illness arising out of or in the course of work for wage or profit.
- E. Any Injury or Illness covered by any Worker's Compensation Act, Occupational Disease Law or similar law.
- F. Charges for which: (1) there is no legal obligation to pay, or (2) no charge is made, or (3) in the absence of coverage, no charge would be made.
- G. Charges incurred after Termination of Coverage.
- H. Charges for care or services furnished by any agency or program funded by federal, state or local government. This does not apply to Medicaid or where prohibited by law.
- I. Charges which are not Medically Necessary (as defined) for treatment of Illness or Injury.
- J. Charges for services which are not related to and consistent with the treatment of any Injury or Illness of the Covered Person.

- K. Unless specifically provided in the Plan, charges for routine physicals or general health exams, unless they are necessary for the diagnosis and treatment of an Illness.
- L. Charges for medical care, services, or supplies which are not furnished or prescribed by a Doctor (as defined).
- M. Charges for experimental or investigational treatment, procedures for research purposes, or practices when not generally recognized as accepted medical practices.
- N. Charges for care, treatment, services or supplies that are not approved or accepted as essential to the treatment of an Injury or Illness by any of the following:
 - 1. The American Medical Association;
 - 2. The U.S. Surgeon General;
 - 3. The U.S. Department of Public Health;
 - 4. The National Institute of Health; or
 - 5. The professional review organization(s) which administer the Utilization Review Program.
- O. Charges related to cosmetic surgery or Dental Care done to beautify a person without medical or dental indication of Injury or Illness.
- P. Unless specifically provided in the Plan, charges for:
 - 1. Dental treatment;
 - 2. Oral Surgery.
- Q. Unless specifically provided in the Plan, charges for treatment of Mental Illness Disorders.
- R. Unless specifically provided in the Plan, charges for treatment of Substance Abuse Disorders.
- S. Unless specifically provided in the Plan, charges for refractions, eyeglasses or hearing aids or their fitting.
- T. Unless specifically provided in the Plan, charges in connection with obesity, weight reduction, or dietetic control, except for morbid obesity or disease etiology.
- U. Unless specifically provided in the Plan, charges for treatment or services for temporomandibular joint dysfunction or TMJ pain syndrome, orofacial, or myofascial syndrome whether medical or dental in scope.
- V. Charges for reversal procedures in connection with previous male or female sterilization.
- W. Unless specifically provided in the Plan, charges for routine immunizations and vaccinations, including but not limited to polio, mumps, measles, small pox, DPT, or tine tests.
- X. Charges for services in the nature of educational or vocational testing or training.
- Y. Any charges for elective abortions.
- Z. Any charges for outpatient food, food supplements or vitamins.
- AA. Radial keratotomy
- BB. Any charges in excess of the Plan maximums for Organ or Tissue Transplants.
- CC. Charges for treatment of male or female infertility; in vitro and in vivo fertilization of an ovum; or artificial insemination including but not limited to:
 - 1. Drugs and medicines;
 - 2. Diagnostic and surgical procedures including but not limited to:
 - a. Aspiration of ovarian cysts;
 - b. Harvesting or obtaining eggs;
 - c. Other surgical treatment of infertility;
 - d. Diagnostic laboratory and pathology procedures; and
 - e. Diagnostic radiology, nuclear medicine and ultra sound procedures.
- DD. Charges for stand-by surgeons, pediatricians, anesthesiologists, anesthesiologists, or other Doctor as defined by the Plan; or stand-by supplies, equipment, rooms, or any other service, supply or treatment not actually used in the care or treatment of an Illness or Injury.
- EE. Charges made by; durable medical equipment recommended by; or drugs dispensed by; a physician, surgeon, nurse or other Doctor (as defined) who:
 - 1. Normally lives with the Plan Participant; or,
 - 2. Is a member of the Plan Participant's family; or
 - 3. Is the Plan Participant's Plan Sponsor.
- FF. Charges for Custodial Care.
- GG. Charges related to smoking cessation.

HH. Charges for the treatment of the following:

1. Codependency;
2. Social, occupational, or religious maladjustments;
3. Compulsive gambling;
4. Chronic marital or family problems when not related to the primary focus of treatment which must be a diagnosable mental disorder.

II. Pregnancy will not be covered if conception was before the Effective Date of the Plan. Pregnancy will be covered as any other sickness when date of conception is after your Effective Date of coverage.