

Personal Accident Insurance

For You and Your Family

Developed for the Employees of
County of Santa Clara

Benefits and Rates effective 2/1/2003.



Who Needs Personal Accident Insurance?

You do. Accident insurance can help you pay expenses if you or your spouse/same-sex domestic partner is seriously injured or killed in a covered accident. This coverage can help ensure that tragedy doesn't take both an emotional and a financial toll on your family.

By purchasing this insurance product through your employer, you benefit from:

- ◆ Affordable group rates
- ◆ Convenient payroll deduction

Who Is Eligible for Coverage?

You — All active, salaried employees holding regular coded or unclassified positions and working one-half time or more per week are eligible for coverage.

Your Family — You may elect to cover your lawful spouse/same-sex domestic partner* under age 70, and your unmarried dependent children who are under age 19 (or under age 25 if they are full-time students). Children must be dependent upon you for support and maintenance.

No one may be covered more than once under this plan. If covered as an employee, you cannot also be covered as a dependent.

* *Your domestic partner is eligible for insurance if you have not been married to any person within the last 12 months and if he or she meets specific criteria stated in the Group Policy. Information is available from your Benefit Services Representative.*

How Much Coverage Can You Buy?

You — You may purchase from \$10,000 to \$500,000 of coverage at an affordable price.

Your Family — Your spouse's/same-sex domestic partner's benefit amount will be 50% of yours, or 60% if you have no dependent children. Each of your covered children's benefit amount will be 15% of yours, or 20% if you are a single parent.

Each family member's coverage is a percentage of the benefit amount you select. It will depend on who your insured family members are at the time of a covered accidental loss.

Your Biweekly Cost

Your cost will depend on the benefit amount and coverage option you select from the chart below.

Your Benefit Amount	Biweekly Cost for You and Your Family	Biweekly Cost for You Only
\$500,000	\$ 8.54	\$5.08
450,000	7.68	4.57
400,000	6.83	4.06
350,000	5.98	3.55
300,000	5.12	3.05
250,000	4.27	2.54
200,000	3.42	2.03
150,000	2.56	1.52
125,000	2.13	1.27
100,000	1.71	1.02
80,000	1.37	.81
60,000	1.02	.61
40,000	.68	.41
20,000	.34	.21
10,000	.17	.10

Costs are subject to change. Benefit amounts over \$150,000 cannot be greater than 10 times your annual earnings.

Benefit Reductions

When you reach age 70, your benefits will be reduced to 70% of the benefit amount selected; at age 75, 45%; at age 80, 30%, and at age 85, 15%. If you elect coverage for your family members, Accidental Death & Dismemberment benefits for your insured family members will be based on your selected benefit amount. Other plan benefits based on your selected benefit amount will be determined by this reduction schedule. Coverage for your spouse/same-sex domestic partner ends when he or she reaches age 70. These reductions also apply if you elect coverage after age 69.

A Valuable Combination of Benefits

Personal Accident Insurance helps protect you against losses due to accidents. A covered accident is a sudden unforeseeable event that results in injury or death and that occurs while coverage is in force. We will pay the full benefit amount in the event of accidental loss of life occurring within 365 days of a covered accident. To help survivors of severe accidents adjust to new living circumstances, we will pay benefits for paralysis, dismemberment, loss of eyesight, speech or hearing according to the chart below.

If, within 365 days of a covered accident, bodily injuries result in:	We will pay this % of the benefit amount:
Loss of life, or Total paralysis of upper and lower limbs, or Loss of any combination of two: hands, feet or eyesight, or Loss of speech and hearing in both ears	100%
Total paralysis of both lower limbs	75%
Total paralysis of upper and lower limbs on one side of the body, or Loss of one hand, foot, or sight in one eye, or Loss of speech, or Loss of hearing in both ears	50%
Loss of thumb and index finger of the same hand	25%

If the same accident causes more than one of these losses, we will pay only one amount, but it will be the largest amount that applies.

Loss of a hand or foot means complete severance through or above the wrist or ankle joint. Loss of sight means the total, permanent loss of sight of the eye. The loss of sight must be irrecoverable by natural, surgical or artificial means. Loss of speech means total, permanent and irrecoverable loss of audible communication. Loss of hearing means total and permanent loss of hearing in both ears which cannot be corrected by any hearing aid or device. Loss of a thumb and index finger means complete severance through or above the metacarpophalangeal joints (the joints between the fingers and the hand). California Residents: Loss of a thumb and index finger means complete severance of at least one whole phalanx (a bone of the finger) of each. South Carolina Residents: Loss of four whole fingers from one hand means the loss of one hand. Paralysis means loss of use, without severance, of a limb. This loss must be determined by a doctor to be complete and not reversible. Severance means complete separation and dismemberment of the limb from the body.

Additional Benefits

For Waiver of Premium

If you have elected coverage for your family members and you lose your life in a covered accident, your insured family members will continue to be covered under the plan — without making premium payments — for 12 months. At that time, their coverage will end unless they convert to individual insurance.

For Exposure and Disappearance

Benefits are payable if you suffer a covered loss due to unavoidable exposure to the elements as a result of a covered accident.

If your body is not found within one year of the disappearance, wrecking or sinking of the vehicle in which you were riding, it will be presumed that you sustained loss of life as a result of injury.

For College Education

The education benefit can give employees who sign up for coverage for their family members extra peace of mind if their children are either in college or college-bound.

If you or your insured spouse/same-sex domestic partner die in a covered accident, we will pay an extra benefit for each insured child who is enrolled in college or is in the 12th grade and enrolls in college within one year of the accident. To help pay college expenses, we will increase your benefit amount by 5% (up to \$5,000) for each qualifying child. This benefit is payable each year for four consecutive years as long as your children continue their college education. If there is no qualifying child, we will pay an additional \$1,000 to the insured's beneficiary.

For Training for Spouses/Same-Sex Domestic Partners

If you have elected spouse/same-sex domestic partner coverage, your spouse/same-sex domestic partner will receive educational reimbursement if he or she enrolls, within one year of your death in a covered accident, in an accredited school to gain skills needed for employment. We will pay the actual cost of this education or training program, for not more than one year after enrollment begins, in an amount not to exceed \$5,000.

For Hospital Stays

When a covered accident requires that you, or an insured family member, be hospitalized, the plan will pay, after a 3-day waiting period, a daily benefit of 1% of the covered person's benefit amount. The daily benefit amount is subject to a minimum of \$20.00 per day and a maximum of \$67.00 per day for up to 365 days. The covered person must be under a doctor's care and must be confined to the hospital as an inpatient for at least 3 days.

Two or more periods of hospital confinement, due to the same accident, are treated as one period of confinement if separated by 6 months or less.

Additional Benefits (cont'd)

For Child Care Expenses

Personal Accident Insurance pays an additional benefit to help pay for your insured children's child care expenses.

If you have elected to cover your family members and you or your insured spouse/same-sex domestic partner die as a result of a covered accident, and you have a surviving child under 13 who is enrolled in a licensed child care center at the time of your death or within one year afterward, we will pay a Child Care Center Benefit. This benefit will be an annual sum for each covered child of up to 2% of your benefit amount but not more than \$5,000 a year until the child turns 13.

We will make the payment to the child's surviving custodial parent or legal guardian.

Each payment will be made at the end of a 12-month period in which there were documented child care center expenses. If, at the time of the accident, coverage for your family members is in force but there is no dependent child who qualifies, we will pay an additional benefit of \$1,500 to the insured's beneficiary.

For Wearing a Seatbelt and Protection by an Airbag

This benefit is payable if an insured person dies as a result of injuries sustained in a covered accident while driving or riding in a private passenger automobile*, and while wearing a properly fastened, original, factory-installed seatbelt. That person's death benefit will be increased by \$25,000.

If the seatbelt benefit is payable, and the covered person was positioned in a seat protected by a properly functioning, original, factory-installed airbag that inflates on impact, we will increase the death benefit by \$12,500.

Verification of the actual use of the seatbelt, and that the airbag inflated properly on impact at the time of the accident, must be part of an official report of the accident, or be certified, in writing, by the investigating officer(s).

If it is unclear whether the insured had been wearing a seatbelt, or that the person was positioned in a seat protected by a properly functioning and properly deployed airbag, the plan will pay a benefit of \$1,000.

** Automobile means a self-propelled, private passenger motor vehicle with four or more wheels which is of a type both designed and required to be licensed for use on the highways of any state or country. Automobile includes, but is not limited to, a sedan, station wagon, or jeep-type vehicle, or a motor vehicle of the pickup, van, camper or motor home type. Automobile does not include a mobile home or any motor vehicle which is used in mass or public transit.*

For Dual Accidents

If you have elected coverage for your family members and, as a result of the same covered accident or separate covered accidents that occur within the same 24-hour period, you and your insured spouse/same-sex domestic partner die, we will increase your spouse's/same-sex domestic partner's benefit amount to 100% of yours. You and your spouse/same-sex domestic partner must be survived by one or more dependent children. Both benefits combined cannot be more than \$1,000,000.

For Comas

Personal Accident Insurance pays an additional benefit if you or an insured family member enters a coma.

If you, your spouse/same-sex domestic partner, or your children are in a coma as a result of a covered accident, we will pay a Coma Benefit as long as the insured person entered the coma within 31 days of the accident.

After the insured person has been in a coma for 31 days, we will begin to make monthly payments of 1% of the covered person's full benefit amount. We will make 11 monthly payments, provided the person remains in a coma during this period. If the person recovers, the payments will stop.

If the insured person dies, as a result of a covered accident, while the monthly Coma Benefit payments are being made, or if the insured person remains in a coma after the 11 monthly payments have been made, he or she will be entitled to a lump sum payment equal to the full benefit amount, minus any amounts we have paid or owe under the schedule of losses. This lump sum payment will end the insured person's coverage under the policy. No further benefit will be paid.

What Is Not Covered

Plan benefits are not payable if a loss results, directly or indirectly, from or is caused by, self-inflicted injuries or suicide; any felony committed by the insured; any act of war, declared or undeclared; sickness, disease, physical or mental impairment or medical or surgical treatment thereof, or bacterial or viral infection, regardless of how contracted. (This does not include bacterial infection that is the natural and foreseeable result of an accidental external cut or wound, or accidental food poisoning.)

Benefits are also not payable if the loss occurs while the covered person is engaged in the activities of active duty service in the military, navy or air force of any country or international organization. Covered accidents that occur while engaged in Reserve or National Guard training are not excluded until training extends beyond 31 days; traveling in an aircraft that is owned, leased or controlled by the sponsoring organization; traveling in an experimental aircraft or one designed to be used in outer space; traveling in an aircraft that is being operated by or for a military authority other than U.S. Military Airlift Command, or similar foreign service; hang gliding; parachuting, except for self-preservation; piloting or serving as a crew member in any aircraft; and taking a flying lesson in any aircraft.

When Your Coverage Begins and Ends

Current employees can sign up at any time. Coverage becomes effective as of the first date following the pay period for which the first payroll deduction is made, provided that you complete and sign an enrollment card and thereby elect to make the required contributions. Dependent coverage will start when your coverage begins.

If you are not actively at work, the effective date of your insurance will be deferred until you are actively at work. If your spouse/same-sex domestic partner is not actively at work or if your spouse/same-sex domestic partner or children are unable to engage in all the usual duties of a person of like age and sex, the effective date of their insurance will be deferred until they return to work or resume their usual duties.

Your coverage will continue as long as you remain an eligible employee, pay your premium when due, do not serve more than 30 days' full-time active duty in any Armed Forces, and we agree with your employer to continue this group policy. For your spouse/same-sex domestic partner and dependent children, coverage ends when your coverage terminates, when their premiums are not paid, or when he or she is no longer eligible, whichever occurs first.

Changing from the Group Plan to Individual Coverage

If, before you reach age 70, this group coverage ends for any reason except non-payment of premium, you can convert to an individual policy. No medical certification is needed. To continue coverage, you must apply for the conversion policy and pay the first premium in effect for your age and occupation within 31 days after your group coverage ends. Family members may convert their coverage as long as they have not reached the maximum age limitation. Converted policies are subject to certain benefits and limits as outlined in your certificate, should you become insured under the plan.

This plan provides ACCIDENT insurance only. It pays benefits for bodily injury. It does not provide coverage for sickness. This information is a brief description of important features of the plan. It is not a contract. Terms and conditions of coverage are set forth in Policy OK-822785, on Policy Form No. LM-2L60, issued in California. The group policy is subject to the laws of the state in which it is issued. The availability of this offer may change. Please keep this material as a reference.

*Coverage is underwritten by
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AR-0001-12713 (07/03)
PM-609178d