



COMPARISON OF AN ARCH ACCIDENT MEDICAL EXPENSE PLAN VS. A FIXED ACCIDENT SCHEDULED INDEMNITY PLAN

For broker use only.

Policy benefits described herein are supplement health insurance and are NOT a substitute for major medical or other comprehensive health insurance coverages. Policyholders must attest that they, and any other individual for whom they are purchasing coverage, have minimum and essential major medical coverage as required by the Affordable Care Act.



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Insurance coverage described is underwritten by Arch Insurance Company, NAIC #11150, a member company of Arch Insurance Group Inc. The policy contains reductions, limitations, and exclusions. Full details of the coverage are contained in the policy. If there are any conflicts between this document and the policy, the policy shall govern. Not all coverages are available in all jurisdictions. Please refer to your policy for detailed terms and conditions.

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A DETAILED COMPARISON OF ARCH'S ACCIDENT MEDICAL EXPENSE PLANS VS. A FIXED ACCIDENT SCHEDULED INDEMNITY PLAN

In today's ever changing healthcare landscape, individuals and families may face annual increases in out-of-pocket costs, such as deductibles and coinsurance, tied to major medical plans.

Arch Accident & Health offers an individual policy solution that **reimburses insureds for actual Medical Expenses incurred** resulting from accidental injuries. An insured must have major medical coverage in place to obtain this coverage. There's NO MEDICAL UNDERWRITING before a quote is issued.

During times of illness or injury, we may find that our major medical insurance coverage is not as "comprehensive" as we may have thought. Major medical plans are designed to cover a wide range of healthcare expenses. However, most plans, if not all, require their insureds to share in the healthcare costs and be responsible for certain out-of-pocket expenses when accessing services provided under their policies. With each renewal, these out-of-pocket expenses may increase for which insureds are responsible. Here are **some of the common types of expenses:**

- 1 Deductibles:** A deductible is the amount an insured must pay each year before their insurer starts to share the costs of covered services. For some plans, especially those with lower premiums, deductibles can be quite high.
- 2 Specific Services and Treatments:** There might be limitations or exclusions on certain medical services or treatments, such as alternative therapies (e.g., acupuncture, chiropractic care).
- 3 Co-pays and Coinsurance:** Even after meeting the deductible, an insured may still be responsible for a co-pay (a fixed amount) or coinsurance (a percentage of the total cost) each time they access a medical service. These expenses can vary greatly depending on whether using an in-network or an out-of-network provider.
- 4 Out-of-Network Charges:** If an insured receives care from a provider who is not in their insurance network, charges can be significantly higher. Out-of-network providers can also bill an insured for the difference between what their insurance agrees to pay and what they charge, resulting in additional unexpected costs for the insured.



Many may not be aware of an available product that can help alleviate potential financial strain resulting from these unexpected out-of-pocket expenses. Accident Medical Expense Reimbursement insurance is specifically designed to help manage these unplanned costs in the event of an accident resulting in injury. This product reimburses insureds up to the elected benefit amount when medical expenses stemming from an accident, (such as costs for emergency room visits, hospital stays, surgeries, doctor’s appointments, ambulance services, and other related medical treatments) are not fully covered by their major medical carrier.

Arch Accident Medical Expense Reimbursement Benefit Description

An Accident Medical Expense Reimbursement policy from Arch Insurance Company is designed to cover out-of-pocket medical costs that an insured incurs as a result of an accident. **Unlike fixed accident scheduled indemnity plans**, which pay a predetermined amount based on the specific injury or service, **accident medical expense reimbursement insurance covers actual medical expenses** incurred up to the purchased plan limit.

Individual Policies (Available Limits)

| | |
|------------|---|
| AME | Excess AME Available Benefit Amounts: \$2,500 \$5,000 \$7,500 \$10,000 Available AME Deductible Options: \$100 \$250 |
|------------|---|

Group Policies

(Higher limits are available and options will be provided upon request)

An Accident Medical Reimbursement Policy reimburses the insured up to the elected benefit amount minus the elected per occurrence deductible. The benefit is payable for reasonable and customary Medical Expenses if Accidental Bodily Injury causes a Covered Person to first incur expenses for care and treatment of an Accidental Bodily Injury within sixty (60) days after an Accident. The Benefit Amount is payable for Medical Expenses incurred within 52 weeks of the date of the Accident.

Covered medical expenses include treatment, service, or supply that is:

- ① Required to treat an Accidental Bodily Injury; and
- ② Prescribed or ordered by a Physician or furnished by a hospital, including but not limited to:
 - a. Medical care and treatment by a Physician;
 - b. Hospital room and board and Hospital care, both inpatient and outpatient;
 - c. Drugs and medicines required and prescribed by a Physician;
 - d. Diagnostic tests and x-rays prescribed by a Physician;
 - e. Transportation of an Covered Person in an emergency transportation vehicle from the location where such Covered Person becomes injured to the nearest Hospital where appropriate medical treatment can be obtained;
 - f. Dental care and treatment due to Accidental Bodily Injury;
 - g. Physical therapy, including diathermy, ultrasonic, whirlpool or heat treatment, adjustment, manipulation, massage and the office visit associated with such therapy;
 - h. Treatment performed by a licensed medical professional when prescribed by a Physician, if hospitalization would have been otherwise required;
 - i. Rental of durable medical equipment;
 - j. Artificial limbs and other prosthetic devices; and
 - k. Orthopedic appliances or braces.

How is Arch's Accident Medical Expense Reimbursement policy different than "Fixed Scheduled Accident Indemnity" plans that are often advertised?

Many of the "Accident Insurance Plans" advertised are actually a product called "Fixed Scheduled Accident Indemnity Insurance." Instead of reimbursing an insured for actual expenses incurred, they pay a predetermined amount based on a specific injury category or service provided, which may or may not necessarily match the actual amount of medical expenses incurred for that injury.

With an Accident Medical Expense Reimbursement plan offered by Arch, you will rest easy knowing that you will be reimbursed for the actual out-of-pocket medical expenses incurred due to an accidental injury when the unexpected happens. In many instances, this plan may cost less than the typical "Fixed Scheduled Accident Indemnity Plan" offered by other carriers.

How do the Two Products Respond to different Claims Scenarios?

The following claims scenarios help illustrate how the products work with both a High Deductible and a Low Deductible Major Medical Plan provided by a leading health insurance provider¹. For each fictional claim scenario², it shows how each product responds and how the benefits may be calculated under the Accident Medical Expense Reimbursement Insurance by Arch versus a Scheduled Accident Indemnity Plan³. This comparison aims to underscore the benefits of the Arch Accident Medical Reimbursement Insurance (the “Arch Plan”) over a typical Scheduled Accident Indemnity Plan (the “Other Plan”).

¹Refer to Chart 1 for plan details. ²Claim scenarios are provided solely for illustrative purposes and may be based on actual cases, composites of actual cases or hypothetical claim scenarios. ³Refer to Chart 2 for plan details. Refer to Page 15 of the appendix for “Other Plan” details.



SCENARIO #1 A Sweet Misunderstanding

The following claim scenario follows Sylvia, a single 49-year-old professional living in New Jersey. Sylvia purchased a high deductible health plan from her employer and a \$5,000 Accident Medical Reimbursement plan from Arch. Sylvia has a major medical in-network deductible of \$1,600 and at the time of the accident had not yet made any payments for medical expenses in the current plan year that counted toward that deductible.

| Estimated Monthly Premium for the Arch Plan <i>(\$5,000 AME/\$100 deductible)</i> | Estimated Monthly Premium for the Other Plan |
|---|---|
| \$12.70 (Single Rate) | \$30.49 (Single Rate) |

On an unusually warm sunny afternoon in January, Sylvia decided to enjoy the weather with a stroll through the local park, her favorite strawberry ice cream in hand. As she roamed, Sylvia noticed her friend, Amy, and Amy’s golden retriever playing fetch in the distance. The dog, Max, had a weakness for anything sweet, and

recognized Sylvia as she came closer. The enticing smell of strawberry ice cream proved too much for the playful dog. In a moment of unrestrained enthusiasm, Max leapt towards Sylvia, aiming for a lick of the delicious treat. Unfortunately, in his eagerness, Max accidentally bit Sylvia’s arm. Amy was mortified. Max, realizing his mistake, whimpered apologetically. Despite the surprising incident, and a bite injury to her arm, Sylvia couldn’t help but laugh at the comical guilt written all over Max’s face. While she, Amy and Max continue to be great friends and see each other often, but on the day of the incident Sylvia was slightly injured and required medical care. Luckily the incident was right around the corner from an in-network hospital.

This scenario is for illustration purposes only. It is a fictional claim scenario and does not depict any actual person or claim.

Benefit Payment Overview⁴

| | THE ARCH PLAN | THE OTHER PLAN |
|--|---------------|----------------|
| Total Medical Expenses Incurred | \$1,298.13 | \$1,298.13 |
| Total Expenses Paid by Sylvia’s Major Medical Plan | \$0.00 | \$0.00 |
| Deductible for the Plan | \$100.00 | \$0.00 |
| Total paid by the Plan | \$1,198.13 | \$305.00 |
| Sylvia’s Net Out-of-Pocket costs | \$100.00 | \$993.13 |

⁴Claim details available in the appendix on page 20.

In Summary

After the incident, Sylvia is now only \$301.87 away from reaching her major medical plan’s annual deductible of \$1,600. However, with the Arch Plan, she incurred medical expenses of \$1,298.13, but only paid \$100 out of pocket for the deductible. If Sylvia had purchased the Other Plan, she would have been out of pocket \$993.13

Sylvia was reimbursed \$898.13 more from the Arch Plan than she would have been with the Other Plan to pay down on her incurred out-of-pocket expenses.

Furthermore, **Sylvia paid \$17.79 less per month for the Arch Plan** than the Other Plan and came out ahead with a larger reimbursement amount to cover her out-of-pocket expenses incurred as a result of the incident than she would have had under the Other Plan.



SCENARIO #2

A High-Stakes Move

The following scenario follows Peter, a 52-year-old dedicated husband and father of three from Georgia. Because of his son's need for an expensive monthly medication, Peter opted to purchase a \$0 deductible major medical plan from his employer. He also purchased a \$10,000 Accident Medical Reimbursement plan from Arch. Although Peter's in-network deductible is \$0, the major medical plan he chose has an out-of-network deductible of \$1,600, and a responsibility to pay 30% coinsurance toward services rendered by an out-of-network provider. Peter's total out-of-network family maximum responsibility is \$12,000. During the plan year Peter has not incurred any out-of-network expenses that would count toward those out-of-network maximums.

| Estimated Monthly Premium for the Arch Plan | Estimated Monthly Premium for the Other Plan |
|---|--|
| \$74.03 (Family Rate) (\$10,000 AME/\$100 deductible) | \$76.69 (Family Rate) |

Peter was excited to help his friend John move into a new log cabin in a remote mountain area. He kissed his family goodbye and set out on a road trip to help his friend. As he and John were unloading boxes, Peter slipped on a loose stone and hit his head, rendering him unconscious. Given their remote location, John quickly realized that regular emergency services could take a long time to reach them. John used his satellite phone to call for help, and given the severity of the situation, an air ambulance was dispatched. The medical team arrived swiftly and provided first aid. Peter had regained consciousness, but was airlifted to the nearest hospital for further treatment. Luckily the doctors diagnosed Peter with only a mild concussion, and he was released from

the hospital after spending two days under observation. While John, Peter and his family were relieved the injury wasn't serious, Peter and his wife were shocked at the size of the bill that arrived a few weeks later from the out-of-network hospital where treatment was rendered.

This scenario is for illustration purposes only. It is a fictional claim scenario and does not depict any actual person or claim.

Benefit Payment Overview⁴

| | THE ARCH PLAN | THE OTHER PLAN |
|--|---------------|----------------|
| Total Medical Expenses Incurred | \$102,062.62 | \$102,062.62 |
| Total Major Medical Out-of-Pocket responsibility for Peter, including network deductible and 30% coinsurance | \$12,000.00 | \$12,000.00 |
| Deductible for the Plan | \$100.00 | \$0.00 |
| Total paid by the Plan | \$10,000.00 | \$4,070.00 |
| Peter's Net Out-of-Pocket costs | \$2,000.00 | \$7,930.00 |

⁴Claim details available in the appendix on page 21.

In Summary

After the incident Peter reached his major medical plan's full annual family out-of-pocket maximum of \$12,000. With the Arch Plan, Peter was reimbursed \$10,000, which left him with a new out-of-pocket responsibility of \$2,000. Under the Other Plan, Peter would have been reimbursed only \$4,070 and would have been responsible for the remaining balance of his out-of-pocket expenses of \$7,930. By purchasing the Arch Plan, **Peter was able to reduce further his out-of-pocket obligations by more than \$5,930 when compared to the Other Plan. Peter paid \$2.66 less per month for the Arch Plan than the Other Plan** and received a larger reimbursement amount to cover his out-of-pocket expenses than he would have had under the Other Plan.



SCENARIO #3

What a Pickle

The following scenario follows Jane, a 32-year-old pickleball enthusiast and a single mother of two living in Houston Texas. Jane purchased a high deductible health plan from her employer and a \$5,000 Accident Medical Reimbursement policy from Arch. She has a major medical in-network deductible of \$1,600 and at the time of the accident had incurred \$1,100 of medical expenses, leaving \$500 left of annual her deductible responsibility. In addition to her annual deductible, Jane is also responsible for 20% coinsurance up to a total in-network out-of-pocket maximum of \$4,500. Jane was treated for her injury in an in-network hospital.

| Estimated Monthly Premium for the Arch Plan | Estimated Monthly Premium for the Other Plan |
|--|--|
| \$35.56 (Policyholder + Children) (\$5,000 AME/\$100 deductible) | \$64.33 (Policyholder + Children) |

During an intense weekend pickleball tournament in September, Jane experienced a painful mishap that brought an abrupt end to her spirited game. While attempting a vigorous backhand return, Jane lost her footing. In a split-second, she found herself tumbling forward, instinctively extending her dominant hand to break the fall. The impact was particularly harsh on Jane's right thumb, which bore the brunt of the collision with the hard surface. The sharp, immediate pain suggested something was seriously wrong, prompting a quick visit to the emergency room. Upon examination, the ER doctors diagnosed Jane with a Bennett's fracture (a fracture of the base of the first metacarpal bone, which is located near the thumb). The medical team promptly

scheduled surgery to realign the bone fragments and stabilize the joint with pins. Jane faced a challenging recovery ahead, involving weeks of immobilization on her dominant hand followed by targeted physical therapy to regain full mobility and strength in her thumb. Despite the setback, Jane remained optimistic, fueled by the desire to return to the pickleball court stronger.

This scenario is for illustration purposes only. It is a fictional claim scenario and does not depict any actual person or claim.

Benefit Payment Overview⁴

| | THE ARCH PLAN | THE OTHER PLAN |
|---|----------------------|-----------------------|
| Total Medical Expenses Incurred | \$131,641.80 | \$131,641.80 |
| Total Major Medical Out-of-Pocket responsibility for Jane, including network deductible and 20% coinsurance | \$3,400.00 | \$3,400.00 |
| Deductible for the Plan | \$100.00 | \$0.00 |
| Total paid by the Plan | \$3,400.00 | \$3,995.00 |
| Jane's Net Out-of-Pocket costs | \$100.00 | \$0 |

⁴Claim details available in the appendix on page 22.

In Summary

After the incident Jane reached her full annual out-of-pocket maximum of \$4,500. With the Arch Plan Jane was reimbursed \$3,400 leaving her with only her \$100 deductible for \$100 of out-of-pocket expenses for the incident. Under the Other Plan Jane would have been reimbursed the full amount of \$3,400 and an additional \$595 that was not owed. While under this scenario the Other Plan paid \$595 more than the Arch plan, the additional payment wasn't necessary to mitigate the expenses incurred.

Jane paid \$28.77 less per month for the Arch Plan, and the Plan achieved the goal of reimbursing her for her 97% of out-of-pocket expenses. In this case the Arch Plan has a slightly lesser benefit than the Other Plan, but has still helped Jane to mitigate the out-of-pocket expenses associated with the injury. Although the Other Plan has paid out \$595 more under this scenario, the net benefit is only \$250 because of the monthly premium difference between the Arch plan and the Other Plan.



SCENARIO #4

You won't be-leaf what happened to Mac!

The following scenario follows Mac Robinson, a joyful 5-year-old little boy from Pennsylvania with a love for autumn. Mac's mother, Rose (47), purchased the family's health insurance through her employer. She had purchased a high deductible plan for the family and had already met the in-network deductible limit. At the time Mac's injury took place, the family had also already paid an additional \$2,600 in coinsurance payments for a total of \$5,800 out of pocket in-network. Unfortunately, those previous payments were moot because the treatment for Mac took place in an out-of-network hospital. The Robinson family has an out-of-network deductible responsibility of \$6,000 and a coinsurance responsibility of 40%. The out-of-network annual maximum under their major medical plan is \$13,700.

| Estimated Monthly Premium for the Arch Plan | Estimated Monthly Premium for the Other Plan |
|---|--|
| \$69.87 (Family Rate) (\$10,000 AME/\$100 deductible) | \$72.29 (Family Rate) |

During a picturesque fall foliage cruise along the coast of the Eastern Seaboard, the Robinson family experienced an unexpected turn of events. While enjoying the vibrant autumn colors and the serene coastal scenery from the upper deck, a sudden and fierce windstorm struck. Amidst the chaos, a heavy pool umbrella, ripped from its base by the powerful gusts, flew across the deck, striking their 5-year-old son, Mac, in the head. The impact caused a deep cut and head wound, leaving the family in shock and urgently calling for medical help. The cruise staff acted swiftly, administering first aid while the captain diverted the ship closer to the nearest port. Due to the severity of the injury, a decision was made to medically evacuate Mac. A rescue helicopter was dispatched, arriving with a

team of paramedics who quickly prepared the young child for airlift. Mac was flown to a regional hospital, where he received necessary treatment and began his recovery surrounded by his deeply relieved but still shaken family. Mac took the incident like a champ and enjoyed all the attention given to him by the many dotting nurses in the ward, and the copious amount of treats they brought him!

This scenario is for illustration purposes only. It is a fictional claim scenario and does not depict any actual person or claim.

Benefit Payment Overview⁴

| | THE ARCH PLAN | THE OTHER PLAN |
|---|---------------|----------------|
| Total Medical Expenses Incurred | \$52,829.01 | \$52,829.01 |
| Total Major Medical Out of Pocket for Mac's Family, including out-of-network deductible and 40% coinsurance | \$13,700.00 | \$13,700.00 |
| Deductible for the Plan | \$100.00 | \$0.00 |
| Total paid by the Plan | \$10,000.00 | \$4,340.00 |
| Mac's Net Out-of-Pocket costs | \$3,700.00 | \$9,360.00 |

⁴Claim details available in the appendix on page 24

In Summary

The accident left the Robinson family with a balance of \$13,700 in out-of-pocket expenses after their major medical carrier adjudicated the claim. The Arch Plan Rose Robinson purchased from her insurance agent paid \$10,000 of that, leaving the Robinson family with a net out of pocket of \$3,700 stemming from the incident.

Under the Other Plan, the Robinson Family would have been reimbursed only \$4,340, leaving a balance of \$9,360 that the Robinsons would have to pay. As it turns out, Rose Robinson made a wise choice purchasing the Arch Plan as it reimbursed the Robinsons \$5,660 more to pay off their out-of-pocket responsibility. **The Robinson Family paid \$2.42 less per month for the Arch Plan than the Other Plan and received a larger reimbursement amount to cover their out-of-pocket expenses than they would have had under the Other Plan.**

In Conclusion

The illustrative scenarios frame Accident Medical Expense Reimbursement as the clear choice over scheduled accident indemnity plans. Are there instances where that wouldn't be the case?

Certainly, a Scheduled Accident Indemnity Plan can sometimes provide greater coverage than an Accident Medical Reimbursement policy. For example, in cases of accidental death or paralysis, this type of plan often pays a high indemnity amount, likely exceeding a similar benefit amount under an Accident Medical Plan. This is also the case for a severe injury that is combined with a surgical procedure and other service-related indemnities for the accident according to the plan's schedule (such as a hip fracture). In many situations, this can result in a payout to the insured that exceeds the amount they will owe to the health services provider as was the case under scenario #3.

This raises the question: What is the purpose of a supplemental health plan? The design of the Arch product is to reimburse the insured for incurred medical expenses, or the 'gaps', that a major medical plan fails to cover. In so doing, it helps with managing payment for these unexpected out-of-pocket expenses, providing a source to pay these unplanned expenses, thereby alleviating potential pressure placed on one's budget. With this reasonably priced product, one can rest easy knowing that there will be reimbursements to buffer these expenses.



Appendix

Chart 1 – Major Medical Plan Used in The Scenarios

The case studies included in this document are based on the following samples of actual major medical plans⁵ offered by a national health insurance carrier.

High Deductible Health Plan Sample

| | IN NETWORK | OUT OF NETWORK |
|---|---|--|
| What is the overall deductible? | Enrollee Only \$1,600; Enrollee + Family \$3,200 | Enrollee Only \$3,000; Enrollee + Family \$6,000 |
| What is the out-of-pocket limit? | Enrollee Only \$4,500; Enrollee + Family \$6,850 | Enrollee Only \$9,000; Enrollee + Family \$13,700 |
| What are the out-of-pocket costs in addition to the deductible? | 20% Coinsurance. This means the plan pays 80% of covered expenses, leaving the enrollee responsible for 20% of covered expenses | 40% Coinsurance. This means the plan pays only 60% of covered expenses, leaving the enrollee responsible for 40% of covered expenses |

Low / No Deductible Health Plan Sample

| | IN NETWORK | OUT OF NETWORK |
|---|---|--|
| What is the overall deductible? | None | Enrollee Only \$600; Enrollee + Family \$1,200 |
| What is the out-of-pocket limit? | Enrollee Only \$4,000; Enrollee + Family \$8,000 | Enrollee Only \$6,000; Enrollee + Family \$12,000 |
| What are the out-of-pocket costs in addition to the deductible? | 10% Coinsurance. This means the plan pays 90% of covered expenses, leaving the enrollee responsible for 10% of covered expenses | 30% Coinsurance. This means the plan pays only 70% of covered expenses, leaving the enrollee responsible for 30% of covered expenses |

⁵Per the national carrier’s website as of May 2023 and subject to their changes.

Chart 2 - Scheduled Accident Indemnity Plan (well-known national carrier)

A fixed accident scheduled indemnity plan is a type of insurance that pays out a predetermined, fixed amount of money for specific injuries or accidents, regardless of the actual medical costs incurred. These plans are not comprehensive health insurance but are designed to provide supplemental coverage to help cover out-of-pocket expenses related to accidental injuries.

| BENEFIT NAME (Treatment Benefits Related to an Accidental Injury) | BENEFIT AMOUNT |
|---|--|
| Accident Treatment Benefit | \$60 Individual Coverage: Limited to two visits per calendar year, per policy Insured/Spouse & Family coverage: Limited to four visits per calendar year, per policy |
| Accident follow-up treatment benefit | \$50 for one treatment per day (up to a max of 6 treatments), per covered accident, per covered person |
| Initial accident hospitalization benefit | \$1,000 when admitted for a hospital confinement of at least 18 hours, or \$1,500 when admitted directly to an Intensive care unit of a hospital for a covered accident, per calendar year, per covered person |
| Accident hospital confinement benefit | \$200 per day, up to 365 days per covered accident, per covered person |
| Intensive care unit confinement benefit | Additional \$400 per day for up to 15 days, per covered accident, per covered person |
| Major diagnostic and imaging exams benefit | \$100 paid per covered accident, per covered person |
| Epidural pain management benefit (non-surgical) | \$100 paid per covered accident, per covered person |
| Therapy benefit | \$25 for one treatment per day (up to a max of 10 treatments), per covered accident, per covered person |
| Rehabilitation unit benefit | \$100 per day, limited to 30 days per covered person, per period of hospital confinement; Calendar year maximum of 60 days |

| | |
|--|--|
| Home Modification Benefit | \$2,000 once per covered accident, per covered person |
| Appliances benefit | <p>Benefits are payable for the medical appliances listed below:</p> <ul style="list-style-type: none"> Back brace: \$300 Body Jacket: \$300 Knee scooter: \$300 Wheelchair: \$300 Leg brace: \$125 Crutches: \$100 Walker: \$100 Walking boot: \$100 Cane: \$25 <p>Payable once per covered accident, per covered person</p> |
| Prosthesis benefit | \$800 once per covered accident, per covered person |
| Prosthesis Repair or Replacement Benefit | \$800 once per covered person, per lifetime |
| Blood/plasma/platelets benefit | \$200 once per covered accident, per covered person |
| Ambulance benefit | \$200 ground or \$1,500 air |

EMERGENCY DENTAL

BENEFIT AMOUNT PER OCCURRENCE

| | |
|--------------------------------------|-------|
| Broken tooth repaired with crown | \$400 |
| Broken tooth resulting in extraction | \$130 |

EYE INJURY

BENEFIT AMOUNT PER OCCURRENCE

| | |
|--|-------|
| Removal of foreign body by a physician | \$65 |
| Surgical repair | \$300 |

DISLOCATIONS**BENEFIT AMOUNT
PER OCCURRENCE**
(Open Reduction)**BENEFIT AMOUNT
PER OCCURRENCE**
(Closed Reduction)

| | | |
|--------------------------------|---------|---------|
| Hip | \$3,750 | \$1,000 |
| Knee or Shoulder | \$1,000 | \$375 |
| Collar Bone | \$1,500 | \$300 |
| Ankle or Foot (excluding toes) | \$1,000 | \$300 |
| Lower Jaw | \$1,000 | \$500 |
| Wrist or Elbow | \$750 | \$375 |
| Toe or Finger | \$200 | \$100 |

FRACTURES**BENEFIT AMOUNT
PER OCCURRENCE**
(Open Reduction)**BENEFIT AMOUNT
PER OCCURRENCE**
(Closed Reduction)

| | | |
|---|---------------------------------------|---------|
| Hip | \$3,500 | \$1,750 |
| Leg | \$1,750 | \$875 |
| Hand (Excluding Fingers) | \$700 | \$350 |
| Foot (Excluding Toe/Heel) | \$700 | \$350 |
| Wrist, ankle, kneecap, shoulder blade, forearm, lower jaw, heel | \$700 | \$350 |
| Elbow | \$800 | \$400 |
| Lower jaw | \$800 | \$400 |
| Vertebrae (body of), pelvis (excluding coccyx), or sternum | \$1,750 | \$875 |
| Sternum | \$1,250 | \$625 |
| Upper jaw, upper arm, face (excluding nose), & nose | \$800 | \$400 |
| Finger | \$625 | \$125 |
| Coccyx | \$450 | \$225 |
| Toe | \$250 | \$125 |
| Vertebral processes | \$1,250 | \$350 |
| Skull | Depressed: \$3,000 Simple: \$1,250 | |

| BURNS (based on size of the body surface burned) | BENEFIT AMOUNT PER OCCURRENCE (2nd Degree) | BENEFIT AMOUNT PER OCCURRENCE (3rd Degree) |
|--|--|--|
| Less than 20 square centimeters | \$125 | \$250 |
| More than 20 but less than 40 square centimeters | \$250 | \$625 |
| More than 40 but less than 65 square centimeters | \$500 | \$1,250 |
| More than 65 but less than 160 square centimeters | \$750 | \$3,750 |
| More than 160 but less than 225 square centimeters | \$1,000 | \$8,750 |
| More than 225 square centimeters | \$1,250 | \$12,500 |
| Skin Grafts | 50% of the Burns Benefit amount paid for the burn involved | 50% of the Burns Benefit amount paid for the burn involved |

| SURGICAL PROCEDURES | BENEFIT AMOUNT PER OCCURRENCE |
|---|--------------------------------------|
| Repair of: Tendons and/or ligaments | \$625 |
| Repair of: Torn rotator cuffs | \$625 |
| Repair of: Ruptured discs | \$625 |
| Repair of: Torn knee cartilages | \$625 |
| Arthroscopy without surgical repair | \$300 |
| Open abdominal (including exploratory laparotomy) | \$1,250 |
| Cranial | \$1,250 |
| Hernia | \$200 |
| Open thoracic surgery (excluding chest tube insertions) | \$1,250 |

| MISCELLANEOUS SURGICAL PROCEDURES | |
|---|-------|
| Miscellaneous surgery with general anesthesia | \$300 |
| Other miscellaneous surgery with conscious sedation | \$120 |

ACCIDENTAL DEATH**BENEFIT AMOUNT**

| | |
|-----------------------------|---|
| While on a Common-Carrier | \$100,000 (enrollee & spouse); \$15,000 (dependent child(ren)) |
| Other Accidents | \$25,000 (enrollee & spouse); \$10,000 (dependent child(ren)) |
| Hazardous Activity Accident | \$10,000 (enrollee & spouse); \$5,000 (dependent child(ren)) |

SEVERE INJURIES**BENEFIT AMOUNT PER OCCURRENCE**

| | |
|--|-------------------|
| Quadriplegia | \$12,500 |
| Paraplegia | \$6,250 |
| Hemiplegia | \$4,750 |
| Coma | \$12,500 |
| Hemiplegia | \$4,750 |
| Concussion (brain) | \$150 |
| Dismemberment or complete loss of, with or without reattachment | Enrollee + Spouse |
| Both arms and both legs | \$25,000 |
| Two eyes, feet, hands, arms or legs | \$25,000 |
| One eye, foot, hand, arm, or leg | \$6,250 |
| One or more fingers and/or one or more toes | \$1,250 |
| Partial dismemberment of finger or toe | \$600 |
| Dismemberment or complete loss of, with or without reattachment | Child |
| Both arms and both legs | \$7,500 |
| Two eyes, feet, hands, arms or legs | \$7,500 |
| One eye, foot, hand, arm, or leg | \$1,875 |
| One or more fingers and/or one or more toes | \$500 |
| Partial dismemberment of finger or toe | \$250 |

ADDITIONAL PLAN BENEFITS**BENEFIT AMOUNT**

| | |
|-------------------------------------|--|
| Transportation Benefit | \$500 per round trip \$500 for dependent child's immediate family member companion if commercial travel is necessary – up to 3 round trips per calendar year per covered person |
| Family Lodging Benefit | \$125 per night, up to 30 days per covered accident |
| Family Support Benefit | \$20 for each day a Covered Person qualifies for benefits under the Accident Hospital Confinement Benefit. This benefit is payable up to 30 days per covered accident. |
| Organized Sporting Activity Benefit | When treatment is received for Injuries sustained while participating in an Organized Sporting Activity, this benefit will pay an additional 25% of the treatment benefit paid up to \$1,000 per policy per Calendar year. |

SCENARIO #1

A Sweet Misunderstanding

Medical Expense Details

DIAGNOSIS CODES**DIAGNOSIS DESCRIPTION**

| | |
|---------|-----------------------|
| S41151A | Open Bite R Upper Arm |
|---------|-----------------------|

CPT CODE**CPT DESCRIPTION****NET MEDICAL EXPENSES INCURRED**

(Current Procedural Terminology) (Current Procedural Terminology)

| | | |
|-------|----------------------|-------------------|
| 99283 | ER Physician Visit | \$91.13 |
| R0450 | ER Facility | \$1,207.00 |
| | Total Charges | \$1,298.13 |

The Other Plan's Benefit Payment Schedule

THE OTHER PLAN'S APPLICABLE CATEGORY**THE OTHER PLAN'S PAYMENTS**

| | |
|--|---|
| Accident Treatment Benefit | \$120 when you are treated at a hospital emergency room, doctor's office, or an ambulatory surgical center. |
| Laceration Less than 5 centimeters | \$65 |
| Other miscellaneous surgery with conscious sedation (Stitches) | \$120 |
| Total Plan Payment | \$305 |
| Sylvia's Net Out of pocket under the Plan | \$993.13 |

SCENARIO #2

A High-Stakes Move

Medical Expense Details

| DIAGNOSIS CODES | | DIAGNOSIS DESCRIPTION |
|-----------------|--|----------------------------|
| S0990XA | | Unspecified Injury of Head |

| CPT CODE (Current Procedural Terminology) | CPT DESCRIPTION (Current Procedural Terminology) | NET MEDICAL EXPENSES INCURRED |
|--|---|-------------------------------|
| 99232 | Level 2 Hospital Care | \$114.00 |
| 99232 | Level 2 Hospital Care | \$114.00 |
| 99238 | Hospital Discharge Maintenance | \$113.25 |
| 99285 | ER Physician Visit | \$288.00 |
| A0431 | Air Ambulance Transport | \$32,556.00 |
| 99213 | Physician Office Visit | \$140.40 |
| R0450 | ER Facility | \$67,620.86 |
| R0320 | X-Ray | \$315.73 |
| 70552 | MRI of the brain with contrast | \$800.38 |
| Total Charges | | \$102,062.62 |

Major Medical Benefit Payment Calculations

SUMMARY OF MAJOR MEDICAL COVERAGE

| | |
|---|--------------|
| Net Medical Expenses Incurred | \$102,062.62 |
| Peter's out of network deductible | (-\$1,600) |
| Adjusted Net Expenses Incurred | \$99,977.77 |
| Peter's Coinsurance Responsibility (30% of the adjusted expenses up to a total out-of-pocket maximum of \$12,000) | (-\$10,400) |
| Peter's Major Medical Plan pays | \$89,577.77 |
| Peter's total gross out-of-pocket responsibility | \$12,000 |

THE ARCH PLAN BENEFIT PAYMENT

| | |
|---|----------|
| Arch Plan Pays | \$10,000 |
| Arch Deductible | \$100 |
| Peter's Net Out-of-Pocket Expenses stemming from the incident | \$2,100 |

The Other Plan's Benefit Payment Schedule

THE OTHER PLAN'S APPLICABLE CATEGORY

THE OTHER PLAN'S PAYMENTS

| | |
|--|---|
| Emergency Care benefit | \$120 when treated at a hospital emergency room, doctor's office, or an ambulatory surgical center. |
| Ambulance benefit | \$1,500 air |
| Accident follow-up treatment benefit | \$50 for one treatment per day, per covered accident, per covered person |
| Concussion | \$150 |
| Major diagnostic exams benefit (MRI) | \$250 per year, per covered person |
| Initial accident hospitalization benefit | \$1,000 once per period of hospital confinement |
| Accident hospital confinement benefit | \$1,000 (\$500 per day, up to 365 days per covered accident, per covered person) |
| Total Plan Payment | \$4,070 |

SCENARIO #3 What a Pickle

Medical Expense Details

DIAGNOSIS CODES

DIAGNOSIS DESCRIPTION

| | |
|---------|-------------------------------|
| S62212A | Bennett's Fracture, Left Hand |
|---------|-------------------------------|

CPT CODE

CPT DESCRIPTION

NET MEDICAL EXPENSES INCURRED

(Current Procedural Terminology) (Current Procedural Terminology)

| | | |
|-------|--------------------|--------------|
| 71045 | X-Ray | \$32.50 |
| 72131 | MRI/CT Scan | \$1,032.85 |
| R0120 | Room and Board | \$113,663.35 |
| 99285 | ER Physician Visit | \$1,699.50 |
| 80053 | Lab | \$36.00 |
| A0427 | Ambulance | \$985.50 |
| 99284 | ER Physician Visit | \$325.00 |
| 26650 | Surgical | \$4,280.25 |
| 76000 | X-Ray | \$487.50 |
| 74177 | MRI/CT Scan | \$880.10 |
| 73700 | MRI/CT Scan | \$261.30 |
| 71045 | X-Ray | \$32.50 |

| CPT CODE (Current Procedural Terminology) | CPT DESCRIPTION (Current Procedural Terminology) | NET MEDICAL EXPENSES INCURRED |
|---|--|--------------------------------------|
| 99285 | ER Physician Visit | \$772.20 |
| 27780 | Surgical | \$5,545.15 |
| 99212 | Physician Office Visit | \$182.65 |
| 99285 | ER Physician Visit | \$1,699.50 |
| 73560 | X-Ray | \$65.00 |
| 01820 | Anesthesia | \$1,092.00 |
| 73130 | X-Ray | \$77.35 |
| 73110 | X-Ray | \$138.45 |
| 76000 | X-Ray | \$487.50 |
| 73140 | X-Ray | \$52.65 |
| | Total Charges | \$131,641.80 |

Major Medical Benefit Payment Calculations

SUMMARY OF MAJOR MEDICAL COVERAGE

| | |
|--|--------------|
| Net Medical Expenses Incurred | \$131,641.80 |
| Less Jane's remaining deductible | (-\$500) |
| Adjusted Net Expenses Incurred | \$131,141.80 |
| 20% Coinsurance of the adjusted expenses up to a total out-of-pocket maximum of \$4,500) | (-\$2,900) |
| Jane's Major Medical Plan pays | \$128,241.80 |
| Jane's Gross Responsibility for this Accident | \$3,400 |

THE ARCH PLAN BENEFIT PAYMENT

| | |
|--|---------|
| Arch Plan Pays | \$3,400 |
| Arch Deductible | \$100 |
| Jane's Net Out-of-Pocket Expenses stemming from the incident | \$100 |

The Other Plan's Benefit Payment Schedule

| INDEMNITY CATEGORY | THE OTHER PLAN'S BENEFIT PAYMENTS |
|--|---|
| Initial accident hospitalization benefit | \$1,000 once per period of hospital confinement |
| Accident hospital confinement benefit | \$1,500 (\$500 per day, up to 365 days per covered accident, per covered person) |
| Accident emergency treatment benefit | \$120 when treated at a hospital emergency room, doctor's office, or an ambulatory surgical center. |
| Major diagnostic exams benefit (MRI) | \$250 per year, per covered person |
| Ambulance benefit | \$200 ground |
| Miscellaneous surgery with general anesthesia | \$300 |
| Fracture of Thumb (Open Reduction) | \$625 |
| Total Plan Payment | \$3,995 |
| Jane's Net Responsibility for this Accident | \$0 with an additional \$595 in her pocket |

SCENARIO #4

You won't be-leaf what happened to Mac!

Medical Expense Details

| DIAGNOSIS CODES | DIAGNOSIS DESCRIPTION |
|-----------------|---|
| S0181XA | Laceration w/o foreign body of other part of head |

| CPT CODE (Current Procedural Terminology) | CPT DESCRIPTION (Current Procedural Terminology) | NET MEDICAL EXPENSES INCURRED |
|--|---|-------------------------------|
| 74177 | MRI/CT Scan | \$288.10 |
| 72125 | MRI/CT Scan | \$283.24 |
| 72128 | MRI/CT Scan | \$193.08 |
| 71045 | X-Ray | \$130.02 |
| R0545 | Air Ambulance | \$24,970.09 |
| R0250 | Emergency Room - Facility | \$25,660.58 |
| 72128 | MRI/CT Scan | \$235.54 |
| 74177 | MRI/CT Scan | \$288.10 |
| 71045 | X-Ray | \$130.02 |
| 72125 | MRI/CT Scan | \$283.24 |
| 99284 | ER Physician Visit | \$244.50 |

| CPT CODE (Current Procedural Terminology) | CPT DESCRIPTION (Current Procedural Terminology) | NET MEDICAL EXPENSES INCURRED |
|---|--|--------------------------------------|
| 99232 | Level 2 Hospital Care | \$122.50 |
| | Total Charges | \$52,829.01 |

Major Medical Benefit Payment Calculations

SUMMARY OF MAJOR MEDICAL COVERAGE

| | |
|---|-------------|
| Net Medical Expenses Incurred | \$52,829.01 |
| Less out-of-network deductible | (-\$6,000) |
| Adjusted Medical Expenses Remaining | \$46,829.01 |
| 40% Coinsurance of the adjusted expenses up to a total out-of-pocket maximum of \$13,700) | (-\$7,700) |
| The Robinson Family's Major Medical Plan pays | \$39,129.01 |
| The Robinson Family's Gross Responsibility for this Accident | \$13,700 |

THE ARCH PLAN BENEFIT PAYMENT

| | |
|---|----------|
| Arch Plan Pays | \$10,000 |
| Arch Deductible | \$100 |
| Mac's Net Out-of-Pocket Expenses stemming from the incident | \$3,700 |

The Other Plan's Benefit Payment Schedule

| INDEMNITY CATEGORY | THE OTHER PLAN'S BENEFIT PAYMENTS |
|--|---|
| Initial accident hospitalization benefit | \$1,000 once per period of hospital confinement |
| Accident hospital confinement benefit | \$1,000 (\$500 per day, up to 365 days per covered accident, per covered person) |
| Accident emergency treatment benefit | \$120 when treated at a hospital emergency room, doctor's office, or an ambulatory surgical center. |
| Major diagnostic exams benefit (MRI) | \$250 per year, per covered person |
| Ambulance benefit | \$1,500 air |
| Lacerations at least 5 centimeters but not more than 15 centimeters (total of all lacerations) | \$250 |
| Other miscellaneous surgery with conscious sedation (Stitches) | \$120 |
| Total Plan Payment | \$4,340 |
| The Robinson Family's Net Responsibility for this Accident | \$9,360 |



 Arch | Insurance

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Policy benefits described herein supplement health insurance and are NOT a substitute for major medical or other comprehensive health insurance coverages. Policyholders must attest that they, and any other individual for whom they are purchasing coverage, have minimum and essential major medical coverage as required by the Affordable Care Act.

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