

# accident insurance

## Group Voluntary Accident Policy

Accidents happen—on average there are 13 unintentional-injury deaths and about 2,650 disabling injuries every hour during the year.<sup>1</sup>

In 2003, about 1 out of 12 people sought medical attention for an injury.<sup>1</sup> If it happens to you, how will you pay for it?

Group Voluntary Accident Insurance gives you extra money to help:

- Make ends meet and manage medical costs
- Keep your savings intact

1. *Injury Facts*, National Safety Council, 2006.

Offered to the employees of:

**City of San Jose**





## why it makes sense

An accident can wreak havoc on your savings if you're not prepared. That's why there's Group Voluntary Accident Insurance. It gives you a cushion to help cover medical expenses and living costs when you are hurt unexpectedly.

So even if an injury does disrupt your life, it won't shake your financial security.

### Group Voluntary Accident Insurance Might Be Right for You if:

- A few weeks without pay would make it hard to keep up with bills
- You couldn't afford the extra costs that come with an injury
- You have a mortgage, credit card debt, car payments or other loans you pay regularly
- Your savings are earmarked for long-term goals

### What You Get

- 24-hour accident coverage for you or your entire family
- Coverage is guaranteed at initial enrollment, there are no medical exams or tests to take (if less than 200 employees, evidence of insurability will be required)
- Benefits for dislocations, fractures, loss of limbs and death
- Ground and air ambulance benefit
- Benefits for hospital, intensive care and medical expenses
- Coverage for an unlimited number of accidents
- Should you leave employment, you can continue the coverage, as long as premiums are paid directly to Allstate Workplace Division (AWD)
- On- and Off-the-Job Accident and Sickness Disability Rider for an accident and sickness

### How It Works

- Group Voluntary Accident Insurance can pay you a lump sum benefit for on- and off-the-job accidents, plus some medical benefits. And, because accident insurance is supplemental, it pays in addition to other insurance you may have. This coverage can be used on its own or to fill a gap left by your other coverage.

### Where Other Coverage Falls Short

Nine out of 10 deaths and about two thirds of the disabling injuries suffered by workers in 2004 occurred off the job.<sup>1</sup>

While you can count on health insurance to cover medical expenses, it doesn't usually cover indirect costs that can arise with a serious, or even a not-so-serious, injury. You may end up paying out of your own pocket for things like transportation, over-the-counter medicine, day care or sitters and extra help around the house.

With accident insurance, the benefits you receive can help take care of these extra expenses and anything else that comes up.

### The Right Plan for Your Needs

Today, your employer is making it possible for you to enroll in Group Voluntary Accident Insurance at work. With this coverage you get accident, medical and hospital benefits to help cover costs associated with an accident. You can choose to cover yourself or your entire family. And, your premiums can be conveniently deducted from your paycheck, so there are no checks to write or bills to pay.

1. Injury Facts, National Safety Council, 2006.

# how it works

## Payment of Benefits

If, while the policy is in force, a covered person sustains an injury which results within 90 days (180 days for Accidental Death or Dismemberment) from the date of an accident, in any of the losses stated in the benefits provision, subject to the Limitations/Exclusions provisions and all other provisions contained in the certificate of insurance, and is diagnosed by a physician, AWD will pay the benefits for such loss. Any loss not stated in the benefits provisions is not covered under the policy. Treatment must be received in the United States or its territories.

GROUP ACCIDENT POLICY BENEFITS	UNITS	INSURED EMPLOYEE	INSURED SPOUSE	INSURED CHILD
<i>Accidental Death</i> AWD pays the amount shown if a covered person dies as a result of an accidental injury.	1	\$20,000	\$10,000	\$5,000
	2	\$40,000	\$20,000	\$10,000
<i>Common Carrier Accidental Death</i> AWD pays the amount shown if a covered person dies as a result of an injury sustained while riding as a fare paying passenger on a scheduled common carrier.	1	\$100,000	\$50,000	\$25,000
	2	\$200,000	\$100,000	\$50,000
<i>Dismemberment</i> AWD pays the amount shown for dismemberment (see Injury Benefits schedule below). If a covered person sustains more than one dismemberment in any one injury, the total amount AWD will pay cannot exceed the amount shown.	1	\$2,000- \$20,000*	\$1,000- \$10,000*	\$500- \$5,000*
	2	\$4,000- \$40,000*	\$2,000- \$20,000*	\$1,000- \$10,000*
<i>Dislocation or Fracture</i> AWD pays the amount shown for dislocation or fracture (see Injury Benefits schedule below). If a covered person sustains more than one dislocation or fracture in any one injury, the total amount AWD will pay cannot exceed the amount shown.	1	\$60- \$2,000*	\$30- \$1,000*	\$15- \$500*
	2	\$120- \$4,000*	\$60- \$2,000*	\$30- \$1,000*
<i>Initial Hospitalization Confinement</i> AWD pays the amount shown for the first time a covered person is hospital confined as a result of an injury after their effective date of coverage. AWD pays this benefit only once for each covered person over the lifetime of the policy.	1	\$500	\$500	\$500
	2	\$1,000	\$1,000	\$1,000

\* Depending on type of loss.

## Injury Benefits

The list below shows covered injury benefits for 1 unit of coverage and one occurrence. Injury benefits for 2 units of coverage are two-times the amount shown. An insured spouse gets 50% of the amounts shown; insured children get 25% of the amounts shown.

FOR THE LOSS OF:		FOR COMPLETE DISLOCATION OF:			
injury benefit	amount	injury benefit	amount	injury benefit	amount
Life	\$20,000	Hip joint	\$2,000	Shoulder joint	\$400
Both eyes	\$20,000	Knee joint (except patella)	\$800	Bone or bones of the hand (except fingers)	\$300
Both hands or arms	\$20,000	Bone or bones of the foot (except toes)	\$800	Collarbone	\$300
Both feet or legs	\$20,000	Ankle joint	\$800	Two or more fingers	\$140
One hand or arm and one foot or leg	\$20,000	Wrist joint	\$700	Two or more toes	\$140
One hand or arm	\$10,000	Elbow joint	\$600	One finger or toe	\$60
One foot or leg	\$10,000				
One eye	\$10,000				
One or more entire toes	\$2,000				
One or more entire fingers	\$2,000				

# how it works

GROUP ACCIDENT POLICY BENEFITS		UNITS	INSURED EMPLOYEE	INSURED SPOUSE	INSURED CHILD
<i>Hospital Confinement</i>		1	\$100/day	\$100/day	\$100/day
AWD pays the amount shown for each day a covered person is confined in a hospital, as a result of injury, up to a maximum of 90 days for any one injury.		2	\$200/day	\$200/day	\$200/day
<i>Intensive Care</i>		1	\$200/day	\$200/day	\$200/day
AWD pays the amount shown for each day a covered person is confined in a hospital intensive care unit, as a result of injury, up to a maximum of 90 days for any continuous period of hospital intensive care confinement.		2	\$400/day	\$400/day	\$400/day
<i>Ambulance Services</i>					
AWD pays the amount shown if a covered person requires ambulance service to or from a hospital, as a result of injury.					
	Ground Ambulance	1	\$100	\$100	\$100
	Air Ambulance	1	\$300	\$300	\$300
	Ground Ambulance	2	\$200	\$200	\$200
	Air Ambulance	2	\$600	\$600	\$600
<i>Medical Expenses</i>		1	up to \$250	up to \$250	up to \$250
AWD pays up to the amount shown for expenses incurred for each medical or surgical treatment a covered person may require, as a result of an injury. Covers doctor fees, x-rays, emergency services and repair to natural sound teeth, if diagnosed by a licensed dentist to be a result of the injury.		2	up to \$500	up to \$500	up to \$500
<i>Outpatient Physician's Treatment (Wellness Plus)</i>		1	\$25/visit	\$25/visit	\$25/visit
AWD pays the amount shown if a covered person is treated by a physician for any cause outside of a hospital. This benefit is limited to 2 visits for each covered person, each calendar year; and a maximum of 4 visits each calendar year for family coverage.		2	\$50/visit	\$50/visit	\$50/visit
RIDER INCLUDED WITH BASE POLICY		UNITS	INSURED EMPLOYEE		
<i>On- and Off-the-Job Accident and Sickness Disability Rider**</i>		1	\$1,000/month		
Accident - AWD pays the monthly benefit shown after the elimination period (3 days) is met and AWD has received sufficient written proof that an insured employee is totally disabled due to an injury. The monthly benefit amount for an injury will include the first 3 days of disability and each additional day up to a maximum of 12 months.		2	\$2,000/month		
Sickness - AWD pays the monthly benefit shown after the elimination period (7 days) is met and AWD has received sufficient written proof that an insured employee is totally disabled due to a sickness. The benefit will be payable up to a maximum of 12 months.					
For any period of disability less than one full month for which a benefit is payable, 1/30th of the monthly amount is paid for each day of total disability.					

\*\* Benefits are reduced by 50% while the insured employee is receiving Workers' Compensation benefits or other state disability benefit as a result of an accident.

FOR COMPLETE SIMPLE OR CLOSED FRACTURE OF BONE OR BONES OF:					
injury benefit	amount	injury benefit	amount	injury benefit	amount
Skull (except bones of face or nose)	\$1,900	Ankle	\$800	Two or more ribs, fingers or toes	\$300
Hip, thigh (femur)	\$2,000	Knee cap (patella)	\$800	Bones of face or nose	\$300
Pelvis (except coccyx)	\$2,000	Collarbone (clavicle)	\$800	One rib, finger or toe	\$140
Arm, between shoulder and elbow (shaft)	\$1,100	Forearm (radius or ulna)	\$800	Coccyx	\$140
Shoulder blade (scapula)	\$1,100	Foot (except toes)	\$700		
Leg (tibia or fibula)	\$1,100	Hand or wrist (except fingers)	\$700		
		Lower jaw (except alveolar process)	\$400		

# premiums and general provisions

Your group accident plan consists of: accident benefits at 1 unit or 2 units and the On- and Off-the-Job Accident and Sickness Disability Rider at 1 unit or 2 units.

*Issue ages are 18-99 for the base policy, and 18-69 for all additional riders.*

## Semi-Monthly Premiums

COVERAGE	INDIVIDUAL	FAMILY
1 unit	\$40.10	\$46.04
2 units	\$79.12	\$91.00

Certificates under this plan are issued on a guaranteed basis only at the time of the initial enrollment. A completed Evidence of Insurability form, AWD4502, is required for late entrants into the group plan.

### Eligibility

Family members eligible for coverage include: you; your legal spouse; unmarried children (including adopted children, children pending adoption and stepchildren) who are under 22 years old, or under 26 years old and a full-time student at an educational institution of higher learning beyond high school. Children cannot be working a full-time job and must be completely dependent on you for support.

### Termination of Coverage

As long as you are insured, your coverage under the policy ends on the earliest of: the date the policy is canceled; or the last day of the period for which you made any required contributions; or the last day you were in active employment, except as provided under the "Temporarily Not Working" provision; or the date you were no longer in an eligible class; or the date your class is no longer eligible.

Spouse coverage ends upon valid decree of divorce or your death. A child's coverage ends on the certificate anniversary next following the date the child is no longer eligible. This is the earlier of: (a) when the child marries; or (b) reaches age 22 (26 if a full-time student attending an educational

institution of higher learning beyond high school). Coverage for unmarried children does not terminate if they are: 1. incapable of self-sustaining employment by reason of mental or physical incapacity; and 2. incapacitated prior to the attainment of the limiting age of eligibility under the policy; and 3. chiefly dependent upon you for support and maintenance. Coverage for the child continues as long as the policy remains in force and the child remains in such condition. Proof of the incapacity and dependency of the child must be furnished within 60 days of the child's attainment of the limiting age of eligibility. Thereafter, such proof must be furnished as frequently as may be required, but no more frequently than annually after the child's attainment of the limiting age for eligibility. If AWD accepts a premium for coverage extending beyond the date, age or event specified for termination as to a covered person, then coverage continues during the period for which such premium was accepted. This does not apply where such acceptance was based on a misstatement of age.

### Temporarily Not Working

AWD will continue your coverage in accordance with the personnel practices of the policyholder's Human Resource department for a temporary layoff or leave of absence, if premium payments continue and the policyholder approved the leave in writing. Coverage will be continued for three months following the date you ceased active employment. If your coverage ends while on a family and medical leave of absence, your coverage will be reinstated when you return to active employment. AWD will not:

1. apply a new pre-existing condition exclusion; or
2. require evidence of insurability.

### Portability Privilege

If your coverage terminates for any reason other than failure to pay required premiums, or if your employer terminates the group policy and does not replace it with another group accident plan, you will be eligible for portability coverage. This means you continue the same benefits you had under the group policy, but pay your premiums directly to AWD. You will no longer be covered under the group policy, but will continue to receive the benefits described in your certificate of insurance.

## Continuation of Coverage (COBRA)

Since the plan is employer-sponsored, it is subject to the same federal COBRA continuation requirements that apply to medical plans. However, COBRA continuation only provides coverage for the following benefits: Dislocation or Fracture, Initial Hospitalization Confinement, Hospital Confinement, Intensive Care, Ambulance Services, Medical Expenses and Outpatient Physician's Treatment. It does not provide benefits for Accidental Death, Common Carrier Accidental Death, Dismemberment or a disability rider. In general, this allows you to continue your insurance under the group policy for 18 months after your employment terminates. If your dependent would lose coverage due to your death, divorce, or attainment of the limiting age for eligibility of dependents, the coverage may be continued for up to 36 months. If the group policy is terminated by the employer before the end of the COBRA continuation period, you will be entitled to be covered under a replacement group plan.

## Coverage Subject to the Policy

The coverage described in the certificate of insurance is subject in every way to the terms of the policy that is issued to the policyholder (your employer). It alone makes up the agreement by which the insurance is provided. The group policy may at any time be amended or discontinued by agreement between AWD and the policyholder. Your consent is not required for this. AWD is not required to give you prior notice.

## Exclusions and Limitations

The policy does not cover any loss incurred by a covered person as a result of: injury incurred prior to the covered person's effective date of coverage subject to the Contestability provision; or any act of war whether or not declared, participation in a riot, insurrection or rebellion; or suicide, or any attempt at suicide, whether sane or insane; or loss sustained or contracted in consequence of any covered person being intoxicated or under the influence of any

controlled substance, unless administered on the advice of a physician; or any bacterial infection (except pyogenic infections which shall occur with and through an accidental cut or wound); or participation in any form of aeronautics except as a fare-paying passenger in a licensed aircraft provided by a common carrier and operating between definitely established airports; or committing or attempting to commit an illegal occupation or felony; or driving in any organized or scheduled race or speed test or while testing an automobile or any vehicle on any racetrack or speedway; or hernia, including complications due to hernia.

Any injury incurred while a covered person is an active member of the Military; Naval; or Air Forces of any country or combination of countries is not covered. Upon notice and proof of service in such forces, AWD will return the pro-rata portion of the premium paid for any period of such service.

### *Pre-existing Condition Limitation*

AWD does not pay for any loss due to a pre-existing condition if the loss occurs during the 12 month period beginning on the date that person became a covered person. A pre-existing condition is a disease or physical condition for which: 1. symptoms existed within the 12 month period prior to the effective date of coverage; or 2. medical advice or treatment was recommended by or received from a member of the medical profession within the 12 month period prior to the effective date of coverage.

A pre-existing condition can exist even though a diagnosis has not yet been made.

## On- and Off-the-Job Accident and Sickness Disability Rider Exclusions and Limitations

AWD does not pay benefits under any of the disability riders for injury due to or resulting from: any act of war, whether or not declared, participation in a riot, insurrection or rebellion; or participation in any form of aeronautics except as a fare-paying passenger in a licensed aircraft provided by a common carrier and operating between

definitely established airports; or intentionally self-inflicted injuries; or injury incurred while engaging in an illegal occupation or committing or attempting to commit a felony; or attempted suicide, while sane or insane; or any loss sustained or contracted in consequence of your being intoxicated or under the influence of any controlled substance unless administered on the advice of a physician; or alcohol abuse or alcoholism, drug addiction or dependence upon any controlled substance; or bipolar affective disorder (manic depressive syndrome), delusional (paranoid) disorders, psychotic disorders, somatoform disorders (psychosomatic illness), eating disorders, schizophrenia, anxiety disorders or mental illness without demonstrable organic disease. The rider will pay, however, for covered disabilities resulting from Alzheimer's disease, or similar forms of senility or senile dementia (without a requirement of demonstrable organic disease), first manifested while coverage is in force; or a pre-existing condition when the disability begins within the first 12 months of your coverage; or dental or plastic surgery for cosmetic purposes, unless the surgery is required to treat an injury or correct a disorder of normal body function.

Disability benefits will not be provided during any period of incarceration.

## Termination of Coverage

As long as you are insured, your coverage under the rider ends on the earliest of: the end of the grace period for the payment of the premium for the policy or the rider; or the date the policy terminates; or the date insurance ends according to the "Termination of Coverage" provision in the certificate; or the next renewal date after you request to terminate coverage under the rider; or next renewal date after your 70th birthday.



**This brochure is for use in the City of San Jose enrollment which is situated in California.**

**Rev. 3/07.** Accident insurance benefits provided by policy GVAP1, or state variations thereof. On- and Off-the-Job Accident and Sickness Disability Rider provided by rider R4AP, or state variations thereof. Underwritten by American Heritage Life Insurance Company. Benefits, limitations and exclusions vary by state. This brochure highlights some features of the policy and riders but is not the insurance contract. Only the actual policy and rider provisions control. The policy and riders set forth, in detail, the rights and obligations of both the insured and the insurance company.

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