

# KNOW YOUR BENEFITS.

From [Your organization]

## Hospital Indemnity Coverage

It's no secret that a hospital stay can be extremely expensive, even with high-quality major medical insurance. A hospital indemnity insurance plan can help offset the costs incurred from a hospital stay.

Read on for more information and answers to common questions about this type of coverage.

### **What is hospital indemnity coverage?**

Hospital indemnity insurance is a type of supplemental insurance plan that can be added to an existing health insurance plan to help cover the costs of a hospital stay. It does not replace a health insurance plan.

Like many other supplemental insurance plans, hospital indemnity insurance pays out a cash benefit directly to you. This type of plan pays you a predetermined benefit amount per day for each hospital admission, typically up to a year.

### **What does hospital indemnity insurance cover?**

Hospital indemnity insurance plans may cover inpatient hospital, intensive care unit (ICU) and critical care unit (CCU) admissions and stays. Some plans also cover outpatient

surgery, ambulance transportation and continuous care expenses.

### **What can benefit payouts be used for?**

Payouts are most often used to cover things like health insurance deductibles, copays, household bills and out-of-pocket costs. However, with this type of policy, benefit payouts are not tied to specific services, so you can use your benefit payout as you see fit.

### **Are there dependent benefits for hospital indemnity insurance?**

In most cases, yes, it is possible to add dependents to a hospital indemnity insurance plan. Adding a dependent or spouse to a plan, if it is allowed, will most likely result in increased premiums.

## Hospital indemnity coverage protects you from the financial strain of a hospital stay.

### **Are all hospital indemnity insurance plans the same?**

No. You have the ability to customize your plan so that it pays benefits out on maternity visits or ambulance rides, or so that it pays out increased benefits on intense ailments, like strokes or cancer. Adding these features, though, may result in higher premiums.

### **Is there a waiting period before coverage begins?**

Though every policy is different, there is generally a 30-day waiting period before benefits from this type of insurance can be used toward an illness that results in a hospital stay.

### **Is hospital indemnity insurance expensive?**

The monthly cost of hospital indemnity coverage varies depending on plan choice, age, gender and tobacco use. Premiums typically increase as policyholders age and add dependents to the plan.

### **Where can I go for more information?**

For more information on this benefit or questions on how it interacts with your health insurance, please consult HR.

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