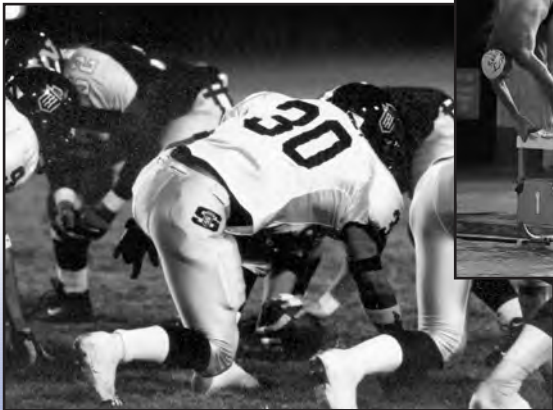


2008-2009

# Catastrophic K-12

## Student Accident Insurance



*Sponsored by the California School Boards Association*



# About Catastrophic Coverage:

Despite taking the best of precautions, students still may sustain a serious injury. It may happen while going to school, in sports, on field trips and simply being in a classroom. By providing catastrophic injury coverage, you can help your seriously injured students:

- 1) Access the care they need;
- 2) Ease the financial concerns of their families;
- 3) Obtain necessary rehabilitation services;
- 4) Provide for "final expenses" if needed;
- 5) Promote healing of the community as a whole;
- 6) Reduce potential liability costs for your district/school.

William Shook, Risk Manager for Stockton Unified School District, writes: *The death of a high school football player is always a tragic event...We believe the catastrophic coverage was the absolute correct insurance to have had in place when this event occurred.* And following the paralysis of one of her football players, Sister Sara Kane CSJ, Superintendent of Catholic Schools, writes: *We would not have been able to provide the level of support that was offered without this catastrophic policy. We believe that catastrophic coverage is a necessity for the protection of the students we serve. We are grateful to you and your company for providing this policy and excellent service over these past years.*

## Catastrophic Coverage Options:

### ELIGIBILITY

All enrolled students and volunteers of the participating school/district.

<b>OPTION I:</b>	\$1,000,000 Maximum Accident Medical
<b>OPTION II:</b>	\$5,000,000 Maximum Accident Medical

### COVERAGE

- ▶ **Class I - Interscholastic Athletics/Activities Coverage**  
Covers students while participating in school scheduled, sponsored and directly supervised games and practice sessions of interscholastic sports including band, cheerleaders, majorettes, student coaches, student trainers and student managers and while traveling directly and without interruption between school and the site of school sponsored and supervised activities, provided that such travel is arranged by and is under the direction of the school.
- ▶ **Class II - Student Activities Coverage**  
Covers students while on premises when school is in session and while participating in any school sponsored activity (except interscholastic athletics) with direct adult supervision provided by the school including official "School-To-Work" and ROTC programs, and while traveling directly and without interruption between home and school to attend regularly scheduled classes and while traveling directly and without interruption between school and the site of school sponsored and supervised activities, provided that such travel is arranged by and is under the direction of the school.
- ▶ **Class III - Religious Education Activities Coverage**  
Covers students while attending church/school sponsored and supervised religious education activities, and while traveling directly and without interruption between the church/school and the site of such activities, provided that such travel is arranged by and is under the direction of the church/school.
- ▶ **Class IV - Adult/Parent Volunteers Coverage**  
Covers adult/parent volunteers while participating as a school volunteer in any school sponsored activity, and while traveling as a volunteer, directly and without interruption between school and the site of school sponsored activities, provided that such travel is arranged by and is under the direction of the church/school.
- ▶ **Class V - Summer Sports and Conditioning**  
Covers students while participating in school sponsored and directly supervised sports and conditioning activities conducted during the summer of 2008, and while traveling directly and without interruption between school and the site of such activities, provided that such travel is arranged by and is under the direction of the school.

# The Program consists of five components:

## 1. ACCIDENT MEDICAL EXPENSE \$1,000,000 / \$5,000,000 Accident Medical Maximum

Medical expenses will be paid on a Full Excess basis to cover Usual and Customary charges for expenses incurred for Medical and Dental Services, with limits of \$1,000,000 or \$5,000,000 depending upon the option selected. The first expense must be incurred within **180 days** after the date of the covered accident. After a \$25,000 deductible\* is satisfied, benefits will be paid for covered expenses incurred up to 10 years from the date of covered injury. *The expenses to satisfy the deductible must be incurred within two years after the date of covered accident.*

\*The deductible will be waived for certain conditions: *complete and irrecoverable loss of sight of both eyes, or of any two limbs, hands or feet, or total and irreversible paralysis of any two limbs which is the result of a covered Injury to the spinal cord, coma or brain death.*

## 2. CATASTROPHIC CASH BENEFIT \$500,000/\$1,000,000 Cash Benefit Maximum

If, as a result of a covered Injury, an Insured suffers Paralysis, Coma, or Brain Death, benefits for each covered accident will be paid as indicated in the Table of Losses. Paralysis, Coma, or Brain Death must occur within **180 days** from the date of the covered Accident, continue for 6 consecutive months, and have a prognosis that such loss will be permanent. If the Insured incurs more than one loss as the result of the same covered Accident we will only pay one benefit, the largest, for which the Insured Person is covered. In no event will the amount paid exceed the Catastrophic Cash Maximum Amount selected in the Application.

**Benefits are payable in addition to the Accident Medical Expense Benefit.**

TABLE OF LOSSES	% OF MAXIMUM BENEFIT AMOUNT
Coma.....	100%
Brain Death.....	100%
Paralysis of: Two or more Upper and/or Lower Limbs.....	100%
One Lower Limb or One Upper Limb .....	50%

A lump sum payment equal to 20% of the Maximum Benefit Amount will be paid after 6 months, thereafter a monthly benefit will be paid for up to 10 years.

## 3. ACCIDENTAL DEATH & DISMEMBERMENT, LOSS OF SIGHT, SPEECH OR HEARING BENEFITS

If injury to the Insured shall result, within 180 days from the date of the Covered Accident, in any one of the losses specified below, the Company will pay the Benefit indicated. The following benefits are paid in addition to the Accident Medical Expense Benefit. If more than one of such specified losses shall result from the same Accident, only one amount, the largest, shall be paid.

	% OF PRINCIPAL SUM:
Loss of life .....	100%
Loss of one hand, one foot, sight in one eye, speech or hearing .....	40%
Loss of both hands, both feet, sight in both eyes, speech or hearing ..	200%
Loss of thumb and index finger of the same hand .....	20%
Heart or circulatory malfunction death benefit .....	100%**

**OPTION I:** AD & D Principal Sum is \$25,000  
**OPTION II:** AD & D Principal Sum is \$50,000

**\*\*Payable for Loss of Life due to Heart, Circulatory or Pulmonary Malfunction that occurs within 72 hours of participation in a covered activity that is causally connected to such Malfunction.**

"Loss" means, with regard to hands and feet, actual severance above the wrist or ankle joint, with regard to sight, speech or hearing the total and irrevocable loss thereof. Loss means, with regard to thumb and index finger of the same hand, complete Severance through or above the metacarpophalangeal joints of the same hand (the joints between the fingers and the hand). "Heart and Circulatory Malfunction" means myocardial infarction, angina pectoris, coronary thrombosis, cardiac arrest or a cerebral vascular accident. "Pulmonary Malfunction" means failure of the lungs to operate in the normal manner.

## 4. CRISIS MANAGEMENT BENEFIT \$25,000/\$50,000 Crisis Management Maximum

If a student is killed as a result of criminal violence while participating in a Covered Activity sponsored and supervised by the school or school district, we will pay the Crisis Management Benefit shown in the Schedule of Benefits to the school or school district involved to help them access the counseling and other care they deem is needed by the student body and staff.

The Covered Activity includes a time period of one half hour before the first scheduled period of instruction or Covered Activity, and ends one half hour after the last scheduled period of instruction or Covered Activity.

## 5. SEATBELT AND AIRBAG BENEFIT

If the Insured dies directly and independently of all other causes from a Covered Accident while wearing a seatbelt and operating or riding as a passenger in an Automobile, the Company will pay a benefit of 10% of the Principal Sum, up to \$5,000. An additional benefit will be paid, if the Insured was also positioned in a seat protected by a properly-functioning and properly deployed Supplemental Restraint System (Airbag). Verification of proper use of the seatbelt at the time of the Covered Accident and that the Supplemental Restraint System properly inflated upon impact must be a part of an official police report of the Covered Accident or be certified, in writing, by the investigating officer(s) and submitted with the Insured's claim to the Company. In the case of a child, seatbelt means a child restraint, as required by state law and approved by the National Highway Traffic Safety Administration, properly secured and being used as recommended by its manufacturer for children of like age and weight at the time of the Covered Accident.

# Exclusions:

*We will not pay benefits for any loss or Injury that is caused by, or results from:*

- 1) Intentionally self-inflicted Injury, suicide or attempted suicide; committing or attempting to commit a felony;
- 2) Injury or loss sustained due to the use of alcohol or drugs, unless administered by a Physician.
- 3) Any injury that is caused by: (a) Flight in, boarding or alighting from an Aircraft, except as a fare-paying passenger; (b) Parachuting, skydiving, parasailing, hang-gliding; (c) Travel in or on any off-road motorized vehicle not requiring licensing as a motor vehicle; (d) An accident if the Insured is the operator of a motor vehicle and does not possess a valid motor vehicle operator's license, except while participating in Driver's Education Program.
- 4) War or any act of war, whether declared or not.
- 5) Commission of or active participation in a riot or insurrection.
- 6) Sickness, disease, bodily or mental infirmity, bacterial or viral infection or medical or surgical treatment thereof, except for any bacterial infection resulting from an accidental external cut or wound or accidental ingestion of contaminated food.
- 7) Pre-Existing Conditions.
- 8) Treatment by persons employed or retained by a Participating Organization, or by any Immediate Family or member of the Insured's household.
- 9) Injury covered by Workers' Compensation.
- 10) Expenses payable by any automobile insurance policy without regard to fault. (This exclusion does not apply in any state where prohibited).
- 11) Covered medical expenses for which the Insured would not be responsible for in the absence of the Policy.
- 12) Cosmetic surgery, except for reconstructive surgery needed as the result of an Injury.
- 13) Eyeglasses, contact lenses, hearing aids, repair or replacement of them, examinations or prescriptions for them, except for an Injury to the eye or ear while coverage is in effect.

This insurance does not apply to the extent that trade or economic sanctions or regulations prohibit Us from providing insurance, including but not limited to, the payment of claims.

Facility of Payment: Whenever payments that should have been made under the Policy are made by any other policy, the Company reserves the right, at their sole discretion, to pay over to any plan making such other payments, any amounts the Company determines are warranted in order to satisfy the intent of this provision. The amounts paid are considered benefits paid under the Policy and, to the extent of such payments, the Company shall be fully discharged from liability under the Policy. In no event will the Company pay more than the benefits payable under the Policy for all policies providing the same or similar benefits issued to the Policyholder and underwritten by the Company.

## Administered By:



### Myers-Stevens & Toohy & Co., Inc.

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(949) 348-0656 or (800) 827-4695  
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## Underwritten by:



### ACE American Insurance Company

436 Walnut St., Philadelphia, PA 19106

*2008 Best Rated A+ (Superior)  
(A.M. Best rating ranges from A++ to D)  
This rating is an indication of the company's  
financial strength and ability to meet  
obligations to its insureds.*

This brochure is a brief description of the important features of the insurance plan. It is not a contract of insurance. The terms and conditions of coverage are set forth in the policies issued in the states in which the policy is delivered. Complete details may be found in the Policies on file at your school or district office. Certain provisions may be different if required by state law. Please keep this information as a reference.