

## INDIVIDUAL CONTRACT PROVISIONS

Kaiser International Health Group, Inc. (Kaiser) has offered and the Principal Member ("Member") has agreed to engage the services of Kaiser to extend healthcare and health maintenance services upon enrolment and payment of the appropriate Membership fees in such amount and manner as stated in this Contract.

This Health Care Contract entered into by Kaiser International Health Group, Inc. (Kaiser) and the Member named herein, the Membership Application signed by the Member, the Schedule of Benefits and any duly authenticated Annex, Rider or Endorsement attached hereto constitute the entire contract between the parties. No statement, promise or inducement made by any party, agent or representative, unless contained herein, shall be valid or binding.

Parties to this Contract include Kaiser and the Member only.

The Effective Date of this Contract is indicated in the Schedule of Benefits.

This Contract between the parties shall take effect on the Effective Date indicated in the Schedule of Benefits, upon approval by Kaiser of the Membership Application and issuance of the Health Care Contract signed by its authorized official.

For and in consideration of the payment of the total membership fees and other applicable fees, and subject to the terms and conditions stipulated in this Contract, Kaiser guarantees to provide the health care benefits and other rights and privileges set forth herein.

### I. DEFINITION OF TERMS

1. **ACCIDENT.** A visible, external, sudden and violent event occasioned by a physical or natural cause and occurring entirely beyond the Member's control causing damage to the health of the Member.
2. **ACCREDITED HOSPITAL.** A duly licensed hospital included in the list of accredited hospitals of Kaiser with which the Kaiser has an existing and valid service agreement and where a Member can avail of medical services pursuant to this Contract.
3. **ACCREDITED MEDICAL CLINIC.** A duly licensed medical health care facility included in the list of accredited medical clinics of Kaiser which has an existing and valid affiliation agreement with Kaiser and where a Member can avail of medical services pursuant to this Contract.
4. **ACCREDITED PHYSICIAN.** A duly licensed physician or specialist accredited by Kaiser and named in the list of Kaiser's accredited physician with whom Kaiser has made arrangements to provide the required services under this Contract.

5. **ANESTHESIOLOGIST.** A specialist duly licensed and registered to administer anesthetic agents and conduct other anesthesia procedures during medical operation.

6. **ATTENDING PHYSICIAN.** An Accredited Physician who is part of the medical staff of an Accredited Hospital or Accredited Medical Clinic, and legally responsible for the care given to a Member while in the hospital or on outpatient basis.

7. **AUTHORIZED REPRESENTATIVE.** A person duly authorized by Kaiser to approve the provision of medical services or claims reimbursements to a Member.

8. **DEVELOPMENTAL, CONGENITAL CONDITION, BIRTH DEFECT.** A medical abnormality existing at the time of birth as well as neonatal physical or mental abnormalities developing thereafter because of causal factors or conditions present at the time of birth.

9. **DISABILITY.** An Illness or Injury and any symptoms, sequelae, or complication thereof requiring treatment. All injuries arising from the same event or series of continuous events are considered as one Disability.

Successive periods of hospital confinement shall be considered as being for one confinement except when:

a. treatment has taken place before the later treatment or confinement commences and after the Individual has returned to active work on a fulltime basis for a continuous period of at least two weeks, or a Dependent's later treatment or confinement commences after an interval of at least six (6) months from the previous confinement's date of discharge; or

b. the later treatment is due to causes entirely different from those of the previous treatment.

10. **DURABLE MEDICAL EQUIPMENT.** As determined by the Kaiser, medically prescribed items of medical equipment for repeated use, owned or rented, such as but not limited to crutches and wheelchairs which are placed in the home of a Member to facilitate treatment and/or rehabilitation of illness or injury.

11. **ELIGIBLE EXPENSES.** Expenses incurred in the treatment of a covered Illness or Injury which are Medically Necessary and not exceeding the limits in Schedule of Benefits.

12. **EMERGENCY CONDITION.** A life threatening or accidental Injury or a sudden and unexpected onset of a condition or Illness which at the time of the occurrence reasonably appears to have the potential of causing immediate Disability or death, or which requires the immediate action or alleviation of pain or discomfort. These Illnesses or injuries require urgent medical or surgical care and attention which the Member secures immediately after the onset or as soon as the care may be made available.
13. **ID CARD.** The identification card issued by Kaiser to a Member containing the latter's name and signature, ID reference number, and other matters pertaining to his Membership.
14. **ILLNESS.** A poor health or poor physical condition marked by a pathological deviation from the normal healthy state caused by disease or sickness.
15. **INJURY.** Physical damage or trauma arising wholly and exclusively from an Accident or other events of violent or external, and visible nature.
16. **LETTER OF AUTHORIZATION (LOA).** Letter of Authorization duly issued by Kaiser to, and signed by, the Member which shall serve as the authority of the latter to avail of the medical services.
17. **MATERIAL INFORMATION.** An information is deemed material if its disclosure would have resulted in the (a) declination of the application for Membership of the applicant, (b) the assessment of a higher Membership Fee or (c) the inclusion of additional restrictions and exclusions to the benefits of the Member under this Contract.
18. **MAXIMUM BENEFIT LIMIT (MBL).** The maximum liability that Kaiser shall cover and assume shall be in accordance with the provisions of the Contract.
19. **MEDICALLY NECESSARY.** A medical service, as determined by Kaiser, which is (a) consistent with the diagnosis and customary medical treatment of the condition, (b) in accordance with the standards of managed care and good medical practice, (c) not for the convenience of the Member or the Accredited Physician, (d) performed in the most cost effective manner required by the medical condition and (e) consistent with the terms and conditions of this Contract.
20. **MEMBER.** A Principal who is eligible, has been accepted for Membership by Kaiser after complying with the Eligibility provision, and is currently enrolled under this Contract.
21. **MEMBERSHIP FEES.** Refer to the fees for the enrollment of the Members, as specified in the Schedule of Benefits.

22. **PHYSICIAN, SURGEON, SPECIALIST, OR DOCTOR.** A person qualified by degree and duly licensed or registered to practice medicine in the geographical area in which he serves. This person must not be a relative of the Member up to the third degree of consanguinity and affinity.
23. **PRIVATE NURSE.** A licensed nurse providing close observation and performing special treatments, which are certified as Medically Necessary by the Attending Physician.
24. **PROFESSIONAL FEES.** As distinct from Surgeon and Anesthesiologist's Fees, fees paid to licensed medical professionals including but not limited to an Occupational Therapist, Physiotherapist, Attending Physician's visits or Pathologists.
25. **SURGERY.** The branch of medicine dealing with manual or operative procedures for the correction of deformities and defects, repair of injuries, diagnosis and cure of certain diseases. This includes surgery performed in an out-patient setting for a covered Illness or Injury.
26. **CONTRACT YEAR.** The Contract Year shall be reckoned from the Effective Date.
27. **TREATMENT or CARE.** Treatment or Care shall mean the Member receiving medical services as either In-Patient or Out-Patient.
28. **ACCUMULATION PERIOD.** Accumulation Period refers to the 7 years paying period.
29. **EXTENDED HEALTH CARE COVERAGE PERIOD.** Extended Health Care Coverage Period shall start at the end of the accumulation period up to the 20th contract year or until the Hospital Benefit Limit (HBL), as indicated in the Schedule of Benefits, is fully utilized.
30. **LONG TERM CARE BENEFIT VALUE (LTCBV).** Long Term Care Benefit Value shall mean guaranteed health benefits as shown in the Schedule of Benefits which can be used at the end of 20th contract year as part of the HBL until fully utilized or can be converted into cash on the 20th contract year.
31. **YEARLY HEALTH CARE HOSPITAL BENEFIT LIMIT (YHCHBL).** Yearly Health Care Hospital Benefit Limit shall be an amount equal to 10% of the LTCBV starting from end of the accumulation period and every year thereafter up to the 20th contract year.
32. **ADDITIONAL YEARLY HEALTH CARE HOSPITAL BENEFIT LIMIT (AYHCHBL).** Additional Yearly Health Care Hospital Benefit Limit shall mean benefit other than the YHCBL at the end of the accumulation period and every year

thereafter up to the 20th contract year, provided that Kaiser's investment earnings is higher than 6% per annum.

33. **LONG TERM HEALTH CARE EXPERIENCE INCENTIVE HOSPITAL BENEFIT LIMIT (LTHCEIHL).** Long Term Health Care Experience Incentive Hospital Benefit Limit shall be an amount equal to 85% of the total membership fees which can be converted into cash on the 20th contract year or be part of the HBL from the 20th contract year until fully utilized.

34. **HEALTH CARE VALUE.** Health Care Value shall refer to termination values as shown in the Schedule of Benefits which will be paid to the Member in the event of pre-termination or surrender of the Contract.

## **II. BENEFIT PROVISIONS**

Subject to the following terms and conditions, all the benefits provided under this Contract are indicated in the Schedule of Benefits:

### **A. HEALTH CARE BENEFITS DURING THE ACCUMULATION PERIOD**

During the Accumulation Period and upon full payment of the first year of the total membership fees and approval of the Membership application, Kaiser shall provide the Member with the Immediate Medical Benefits described hereunder at its accredited hospital, clinic, laboratory or other service providers to be administered by its accredited physician, specialist or dentist, and under the direction of Kaiser's Medical Director or his authorized representative.

**1. Immediate Medical Benefits.** If the Member while covered under this Contract is confined in an accredited hospital and under the care of an accredited physician, Kaiser, agrees to cover the following benefits, the aggregate of which if any, shall not exceed the Hospital Benefit Limits (HBL) indicated in the Schedule of Benefits to wit:

#### **a. IN-PATIENT CARE**

Coverage of in-patient benefits, except for Emergency Conditions, wherein the Emergency Care provision of this Contract will apply, shall be subject to the following conditions:

i. The hospital confinement must be recommended by an Accredited Physician and approved by the duly authorized representative of Kaiser in that Accredited Hospital prior to confinement.

Admission order from an Accredited Physician must be secured by the Member before actual in-hospital admission except as provided under EMERGENCY CARE.

ii. The confinement shall be in an Accredited Hospital.

iii. Professional services shall be provided only by Accredited Physicians.

iv. As proof of conditions ii, and iii above, Kaiser shall issue the requisite Letter of Authorization (LOA) and other necessary documents.

v. If a Member for whom discharge order has been issued by the Attending Physician refuses to be discharged, Kaiser shall no longer be responsible for all hospital expenses and professional fees incurred after the specific time or hour the Member should have been discharged. Such expenses shall be charged to the personal account of the Member.

vi. Hospital services are subject to all its rules, regulations and discretions including those governing admission, discharge, availability of facilities or personnel, accreditation with Kaiser and acknowledgement of validity of identification and coverage of the Member; Kaiser shall not be liable for any delay or failure of the hospital to provide services in view of its rules, regulations and discretion.

vii. If the Member refuses to follow the treatment or procedures recommended by the Accredited Physician for personal reasons or religious beliefs, Kaiser shall no longer be responsible to provide care for the condition under treatment.

a.1. **Accredited Hospital's Room a Board.** A benefit equal to the charges for room Et board up to the maximum daily rate and not to exceed the Room Et Board limits indicated in the Schedule of Benefits. Use of intensive care, critical care or similar facility shall be considered as charge for room Et board unless separately provided in the Schedule of Benefits.

a.2. **Accredited Physician's Fee.** A benefit equal to the fees actually charged not to exceed the Physician's Fee limits indicated in the Schedule of Benefits.

No benefit shall be paid for any treatment by a Physician given to the Member on or after the date a surgical operation is performed unless given by a Physician other than the Physician who performed the surgical operation and for a disability entirely unrelated to the disability which required the operation.

a.3. **Accredited Specialist's Fee.** A benefit equal to the fees actually charged but not exceeding the Specialist's Fee limits stated in the Schedule of Benefits. The benefit is provided only on cases where a Specialist other than the Attending Physician is required. A Specialist is a duly licensed practitioner certified by the Specialty Board of his specialization. The benefit is limited to one Specialist Fee per day and actual attendance must be declared and duly documented. Should the Attending Physician at the same time be a Specialist, only the Physician's Fee Benefit will be provided, the other Specialist then must have a specialization different from the specialization of the Attending Physician.

a.4. **Accredited Surgeon's Fee.** A benefit equal to the fees actually charged for treatment, but not to exceed limits specified for such operation in the attached Schedule of Operations, provided that in no event shall the total amount payable for all operations performed for any one disability exceed the Accredited Surgeon's Fee limits indicated in the Schedule of Benefits.

The maximum benefit for a surgical operation shall be determined by multiplying the percentage specified for that operation in the Schedule of Operations by the Maximum Benefit for Surgeon's Fee shown in the Schedule of Benefits.

a.4.1. **Multiple Surgeries.** If more than one surgical operation is performed through a single incision or because of the same or related conditions, such multiple surgeries may be regarded as one operation and the benefit applicable under this segment shall be equal to the benefit for that one of the operations for which the largest amount is payable, provided this does not exceed the maximum amount specified in the Schedule of Benefits.

If more than one surgical operation is performed on the same person through separate incisions because of unrelated conditions and such conditions result from the same injury, or such operations are performed within a twenty-four (24) hour period, the benefit applicable for such multiple surgeries shall be equal to the benefit for that one of the operations for which the largest amount is payable plus one-half of the benefit provided for each of the other operations, provided this sum does not exceed the maximum amount specified in the Schedule of Benefits.

However, if more than one surgical operation is performed on the same person because of unrelated conditions and such operations are separated by a period of more than twenty-four (24) hours, surgical benefits shall be determined for each of the operations individually, subject to the maximum amount specified in the Schedule of Benefits. Also, where more than one surgical operation is performed on the same person and these operations were separated by an interval during which that person completely recovers and resumes full normal activities for at least three (3) months, benefits will be determined for each of the operations individually, even if the operations are performed because of the same or related conditions.

- a.4.2. **Surgical Operations not contained in the schedule of operations.** If the operation performed is not shown in the Schedule of Operations, Kaiser reserves the right to determine the amount of Surgeon's Fee payable for such operation. An operation of comparable or equivalent gravity and severity will be used as a basis for the settlement, but not to exceed the maximum provided under this Contract.
- a.5. **Accredited Anesthesiologist's Fee.** A benefit equal to the fees actually charged for treatment, but not to exceed the percentage with respect to the Surgeon's Fee payable as indicated in the Schedule of Benefits.
- a.6. **Operating Room Fee.** A benefit equal to the fees actually charged for use of Operating Room facilities including recovery room, but not to exceed the percentage with respect to the Surgeon's Fee payable as indicated in the Schedule of Benefits.
- a.7. **Hospital intensive care.** A benefit equal to the charges for use of an intensive care, critical care or other similar facility but not to exceed the Intensive Care Unit limits indicated in the Schedule of Benefits. If both Hospital Room a Board and Hospital Intensive Care benefits are provided, only one shall be payable for each day of hospital confinement.
- a.8. **Miscellaneous fees.** A benefit equal to the charges actually made for the items enumerated below but not to exceed on the aggregate, for one disability, the maximum as indicated in the Schedule of Benefits.
- a.8.1. charges made by a hospital for other necessary services not covered by any of the above benefits and supplies during a



period of confinement for which hospital room a board benefits are payable,

- a.8.2. charges for local professional land ambulance service, maximum of PHP 2,000 per any one disability,

If the Member occupies a higher classification of room Ec board than what the limit per the Schedule of Benefits provides, the Member shall be liable for the room rate differential and the accompanying rate differential for all other medical fees, following the hospital's standard incremental increases, minimum of 20%.

#### **b. EMERGENCY CARE**

If the Member while covered under this Contract is treated in and/or admitted to a hospital as an emergency case, Kaiser agrees to cover all charges for the Emergency Care covered herein provided the Member or his representative notifies Kaiser within 24 hours from admission. Failure to do so however, shall not invalidate nor reduce the benefit under this Contract if it can be shown that it was not reasonably possible to do so within such time and that such advice was given as soon as it was reasonably possible.

##### **b.1. In an Accredited Hospital**

If the emergency treatment is rendered in an Accredited Hospital, Kaiser shall cover expenses up to the maximum amounts indicated in the Schedule of Benefits.

##### **b.2. In Non- Accredited Hospital**

If the emergency treatment is rendered in a non-accredited hospital, Kaiser shall cover 80% of expenses up to the maximum amounts indicated in the Schedule of Benefits. If professional services are rendered by a non-accredited physician, Kaiser shall be liable only for 80% of reasonable professional fees, but not to exceed the amount which Kaiser would have paid to an Accredited Physician.

Kaiser reserves the right to transfer the Member to an Accredited Hospital when it is medically safe to do so. If the Member or his representative refuses to do so, Kaiser shall not be responsible for any expenses incurred after the day for which transfer has been recommended.

- b.3. In all these circumstances, Kaiser reserves the right to validate whether the treatment received is emergency in nature and/ or the illness or condition is covered under the provisions of this Contract.

**c. ANNUAL PHYSICAL EXAMINATION BENEFITS**

The Member shall be entitled to an annual physical examination to be administered by an accredited service provider. The annual physical examination shall cover the following:

- c.1. Physical examination, chest x-ray, stool examination, routine urinalysis, complete blood count
- c.2. Electrocardiogram for Members above 35 and Pap smear for female Members above 35 years old or as required.

**d. DENTAL BENEFITS**

The member shall be entitled to dental services administered by an accredited service provider after at least complete payment of membership fee for one year. The dental benefits shall cover the following services:

- d.1 .Consultation and Dental Examinations
- d.2.Oral Prophylaxis (mild cases only) once a year d.3.Unlimited Simple Tooth Extraction
- d.4.Restorative and Prosthodontic Treatment and Planning d.5.Temporary Filling unlimited (as needed)
- d.6.Simple Tooth Adjustment of Dentures
- d.7. Recementation of Loose Crowns, inlays and onlays d.8.Dental Nutrition and Dietary Counseling
- d.9.Dental Health Education

**II. HEALTH CARE BENEFITS DURING THE EXTENDED HEALTH CARE COVERAGE PERIOD**

During the Extended Health Care Coverage Period, the Member shall be entitled to the Extended Benefits which include the Yearly Health Care Hospital Benefit Limit (YHCHBL) and the Additional Yearly Health Care Hospital Benefit Limit (AYHCHBL) subject to its Provisions.

A Member shall also be entitled to the Long-Term Health Care Experience Incentive Hospital Benefit Limit (LTHCEIHBL) if he has not incurred any medical claim or availed of any medical benefits other than the Annual

Physical Examination Benefits and Dental Benefits, during the accumulation period of this contract.

At the end of the accumulation period and every year thereafter up to the 20th year, Kaiser may also declare Additional Yearly Health Care Hospital Benefit Limit (AYHCHBL), provided Kaiser's investment earnings is higher than 6% per annum.

During the Extended Health Care Coverage Period, the Member may avail of the medical benefits without the limitations and exclusions, including outpatient, maternity and dental benefits (as described hereunder) provided the costs therefor shall not exceed the Total Yearly Health Care Hospital Benefit Limit (TYHCHBL). Any unused balance, if any will have an annual increment, the percentage of which shall be determined by Kaiser but in no case less than 3% per annum.

The Member may use the Extended Hospital Benefit Limit Balance (EHBL) for medical coverage from Kaiser or any other plans under Kaiser subject to the acceptance of Kaiser and the prevailing rates and conditions at the time of purchase which are non-convertible to cash.

If there is any unused portion of the Total Hospital Benefit Limit (THBL), it can be redeemed in cash at the end of the 20th year or the Total Hospital Benefit Limit (THBL) can be extended until fully utilized. Once Hospital Benefit Limit (HBL) is fully utilized this contract shall automatically be terminated.

## **1. OUT-PATIENT CARE**

The Out-patient benefits can be availed of by the Member immediately from the Effective Date of this Contract provided that the Membership Fees shall have been paid during the first billing. The benefits can be availed of only through the Accredited Hospital and Physician of Kaiser.

- a. Consultation Fee. A benefit covering charges by a Physician for diagnosis or treatment.
- b. Diagnostic test. A benefit covering charges for required x-rays, laboratory and other diagnostic procedures.

## **2. DENTAL BENEFITS**

Dental consultations including orthodontic and aesthetic; annual dental examination and prophylaxis including polishing and cleaning; any number of temporary filling, recementation of jacket, crowns, inlays, onlays and non-surgical tooth extractions; minor adjustment of dentures; relief of

acute dental pain, emergency desensitization of hypersensitive teeth; and care for oral lesions, wounds and burns.

### **3. MATERNITY BENEFITS**

Treatment and consultations related to pregnancy

### **III. HEALTH CARE VALUE**

At any time after a health care value is available under this contract and while this contract is in force, the Member may obtain a loan for an amount not exceeding the health care value less any indebtedness on the sole security of this contract.

The loan will be charged interest at the prevailing loan interest rate of Kaiser. Before granting or renewing the loan, Kaiser shall notify the Member of any change in interest rate. The loan is payable on or before the next contract anniversary, but if not paid, both loan and any applicable interest automatically becomes a new loan as of that time on which interest will be charged.

All loans and interests are deducted automatically from any benefit the Member is entitled to under this contract. This contract is automatically terminated if the total indebtedness exceeds the health care value.

The Member may surrender this contract for its health care value stated in the Schedule of Benefits less any outstanding indebtedness.

### **IV. PRE-EXISTING CONDITIONS**

An Illness, Injury or condition shall be considered pre-existing if it existed before the Effective Date of the Members coverage, the natural history of which can be medically determined to have started prior to the effective date of coverage or at the time of processing of the Members application, whether or not the Member was aware of such Illness, Injury or condition.

All pre-existing illnesses shall not be covered during the accumulation period.

Pre-Existing Conditions shall include the following Illnesses, Injuries or conditions, but not to the exclusion of all others including their complications and sequelae:

1. Tumor/ Cyst of Internal Organs
2. Chronic Hemorrhoids/ Anal Fistula
3. Diseased tonsils and sinus conditions requiring surgery
4. Cataract/ Glaucoma
5. Pathological Abnormalities of nasal septum or turbinates
6. Goiter and other thyroid disorders

7. Hernia/Benign Prostatic Hypertrophy
8. Endometriosis
9. Bronchial Asthma/ Chronic Obstructive Lung disease
10. Epilepsy
11. Spinal column abnormalities
12. Pulmonary Tuberculosis
13. Cholecystitis
14. Gastric or Duodenal ulcer
15. Hallux valgus
16. Hypertension and other Cardiovascular diseases
17. Calculi
18. Tumors/ Cyst on skin, muscular tissue, bone or any form of blood dyscracias
19. Diabetes Mellitus
20. Cerebrovascular Accident/ Transient Ischemic Attack
21. Chronic Obstructive Pulmonary Disease
22. Systematic Allergies
23. Dysfunctional Uterine Bleeding
24. Liver Cirrhosis
25. Kidney Diseases
26. Immunologic and Collagen Diseases
27. Lithiasis
28. Atherosclerosis

Diagnostic procedures undertaken to determine the existence of a Pre-existing Condition is a covered expense provided that the result of diagnostic procedure is negative for the existence of the pre-existing condition.

Pre-existing Condition shall only be covered after the accumulation period provided that there is no failure to disclose, misrepresent or conceal, Material Information in the original application or application for reinstatement. Notwithstanding the disclosure by the Member of a pre-existing condition, the Kaiser may permanently exclude from cover a specific medical condition, Illness or Injury upon written notice to the Member.

## **V.CLAIMS PROCEDURE**

### **1.CLAIMS SUBMISSION**

a. Certification, Information and Evidence. All certificates, accounts, receipts, information and evidence required by Kaiser shall be furnished in such form as Kaiser may require.

**b. Sufficiency of Notice.** Written notice of any claim given by or on behalf of the Member or Beneficiary to Kaiser or to any authorized representative of Kaiser, with information sufficient to identify the Member, shall be deemed notice to Kaiser.

**c. Notice of Claim**

- i. A Member shall first report his condition to Kaiser or designated plan coordinator during clinic hours for treatment unless the condition is emergency in nature. The Accredited Physician shall, upon examining the Member, prescribe the necessary medical procedure. If hospitalization is needed, the Accredited Physician shall provide the required hospital referral in the prescribed form. Before being discharged from the Hospital, a Member must fill up the prescribed claim form and settle that portion of the medical bill not covered by the Contract. That portion of the bill covered by the Contract shall be settled directly by the HMO with the hospital and/or Attending Physician(s).
- ii. In case of emergency, the Emergency Care provision specified in the Contract shall apply.
- iii. In cases wherein Kaiser covered costs were not deducted from the medical bills and a Member is made to pay for the health care cost, a Member may request reimbursement of such costs which are covered under the Contract. The request must be made on the prescribed claim form to which shall be attached official receipts, together with supporting charge slips, detailed itemized accounts and other necessary documents. No reimbursement shall be made to the Member unless such original documents are submitted by the Member or if the Member has otherwise been fully indemnified or reimbursed of the medical bills or costs incurred under any other health care coverage or insurance policy or any other similar contracts or Agreements. Such request for benefits must be presented within thirty (30) days after the expiration of the period of confinement for which claim for benefits is being made. Failure to submit within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time.
- iv. Kaiser will process the payment of all claims within thirty (30) days upon receipt of complete documents and in accordance with the terms of the Contract. All benefits that pertain to a Member will be paid by check to the order of Member, unless the Member requests otherwise, or Kaiser, in its discretion, considers it preferable to make the payment in another manner. In case of death of a Member, any benefit due but

remaining unpaid shall be paid to the first surviving class of the following classes of successive preference of beneficiaries: the Member's (a) widow or widower; (b) surviving children; (c) surviving parents; (d) surviving brothers and sisters; and, (e) executors or administrators, unless the member designates otherwise in his/her membership application.

**d. Fraudulent Claims.** If any claim under this Contract is in any respect fraudulent, all benefits payable and/or paid in relation to that claim shall be forfeited and if deemed appropriate, recoverable respectively.

**e. Physical Examination and Autopsy.** Kaiser shall have the right and opportunity to examine the Member when and as often as it may reasonably require during the pendency of claim hereunder, and the right and opportunity to make an autopsy in case of death, where it is not forbidden by law or by the religion of the deceased Member.

## **2. CLAIMS PROCEDURE FOR EMERGENCY CASES**

**a. Limitation.** The claims for reimbursement shall apply only in emergency treatments, whether out-patient or in-patient, rendered in non-Accredited Hospitals.

**b. Filing of Claims.** All claims for reimbursement must be filed using the prescribed claim form and submitted to Kaiser Offices within thirty (30) days from the date of avilment for out-patient or from date of discharge for in-patient.

Failure to submit within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time.

**c. Payment of Claims.** All benefits that pertain to a Member will be paid by check to the order of Member, unless the Member requests otherwise, or HMO, in its discretion, considers it preferable to make the payment in another manner. In case of death of a Member, any benefit due but remaining unpaid shall be paid to the first surviving class of the following classes of successive preference of beneficiaries: the Member's (a) widow or widower; (b) surviving children; (c) surviving parents; (d) surviving brothers and sisters; and, (e) executors or administrators, unless the member designates otherwise in his/her membership application.

**d. Request for Reconsideration.** If a claim for reimbursement is denied, or the Member is not satisfied/agreeable to the reimbursement paid by Kaiser, a written request for reconsideration must be filed with the Kaiser Head Office not later than ten (10) days from receipt of such denial or questioned reimbursement. Otherwise, the claim shall be deemed satisfied or terminated. The request for reconsideration shall contain all the reasons upon which reconsideration is sought and shall be decided

upon by an Authorized Personnel of Kaiser, whose decision shall be final. Kaiser reserves the right to deny Claims for Reimbursement if the procedures and requirements have not been strictly complied with.

### **3. BENEFIT PAYMENT**

**a. Payment of Benefits.** If a Member incurs Eligible Expenses during the effectivity of this Contract, Kaiser will pay benefits in accordance with Schedule of Benefits of this Contract. Kaiser will pay the Eligible Expenses after application of any stipulated co-payment or other deductions that may apply. All benefits payment shall be in PHILIPPINE PESO.

**b. Coordination of Benefits.** Benefits will not exceed the total medical expenses when combined with other health care or medical coverage in force or organizations or which are provided free of charge in government or private facilities.

### **VI. EXCLUSIONS AND LIMITATIONS**

1. Long-term rehabilitation and psychiatric care and/or psychological illnesses and conditions including neurotic and psychotic behavior disorders; anxiety disorders.
2. Developmental disorders including functional disorders of the mind, such as but not limited to Attention-Deficit Disorder (ADD) or Attention-Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders, Bipolar Disorders, Central Auditory Processing Disorder (CAPD), Cerebral Palsy, Down Syndrome, Neural Tube Defects, and Mental Retardation.
3. Congenital, genetic and hereditary diseases and their complications affecting functions of individuals.
4. Sexually transmitted diseases including genital warts.
5. Injuries resulting from direct participation in riots, strikes, and other civil disturbances.
6. Infectious diseases (i.e. Avian Flu, Meningococcemia, etc.) that are declared epidemic or pandemic by the Department of Health, World Health Organization or any recognized health authority.
7. Aesthetic, cosmetic and reconstructive surgery or any consultation or treatment for any beautification purposes except if necessary to treat a functional defect due to accidental injury within the initial confinement.



8. Maternity to and/or care and all other conditions, including pre and post-natal consultations, resulting from pregnancy and/or delivery which affect the conditions related of the Member and the unborn child.
9. Circumcision (except for treatment of urological conditions), sex transformation, diagnosis, treatment and procedures related to fertility or infertility, artificial insemination, sterilization or reversal of such procedures and their complications.
10. Experimental medical procedures and its complications.
11. Acupuncture, acupressure, chirotherapy and other forms of alternative medicine and their complications.
12. Routine physical examinations requirement in school, insurance, required for obtaining or continuing government licensing, health permit and employment, other similar purposes.
13. All screening tests.
14. Treatment for injury and its complications resulting infections as a result of tattoos, piercing of the ear from self-inflicted injuries including or in any body part, whether self- inflicted or done by a third party or attempted suicide or self-destruction, whether sane or insane.
15. Treatment of any injury received wherein there is negligence, unauthorized use of prohibited or regulated drugs, alcoholic liquor intake, direct or indirect participation in the commission of a crime whether consummated or not, violation of a law or ordinance or unnecessary exposure to imminent danger, knowingly or unknowingly, or hazard to health, by the Member.
16. Treatment of injuries or illnesses caused directly or indirectly by engaging in any professional sport or hazardous activity such as but not limited to scuba diving, surfing, water skiing, mountain climbing, rock climbing, mountaineering, parachuting, airsoft, drag racing, paintballing, wakeboarding and bungee jumping.
17. Treatment of injuries or illnesses resulting from war and any combat-related activities while in military service.
18. Treatment for Chronic Dermatoses.
19. Services obtained for non-emergency conditions from physicians and hospitals in any of the following circumstances:
  - a. non-Accredited Physicians in non-Accredited Hospitals or non-Accredited Clinics

b. non-Accredited Physicians in Accredited Hospitals or Accredited Clinics

c. Accredited Physicians in non-Accredited Hospitals or non-accredited Clinics or other healthcare facility.

20. Additional hospital charges and physician's professional fees resulting from:

a. extension of hospital stay despite release of discharge order from Member's Attending Physician;

b. fees of the assistant surgeons for surgeries with less than 250 RUV units/ resident doctors who assisted the Attending Physician in the process of rendering the medical services shall not be chargeable to the Member and/or Kaiser except for hospitals that do not have resident physicians to assist during surgeries subject to the prior approval of Kaiser;

c. use of extra bed, TV, electric fan, DVD/ VCD, and other similar items;

d. extra food; toilet articles like face towel, soap, toothbrush and the like;

e. services of a private or a special nurse;

f. all other items not medically necessary in the medical management of the Member.

21. Routine physical examinations required for obtaining) or continuing employment, requirement in school, insurance/travel or government licensing, health permit and other similar purposes.

22. Custodial, Domiciliary, Convalescent and Intermediate care. 23. Medical certificates.

24. Professional fees of medico-legal officer/s.

25. All expenses incurred in the process of organ donation and transplantation if the Member is the donor, and its complications.

26. Benefits covered by PhilHealth and all other government funded healthcare entitlements as provided for by law.

27. Cost of the medical services and professional fees in excess of the MBL.

28. Hospitalization primarily for diagnosis, x-ray examinations, therapies, routine physical examinations, check-ups, dialysis, rest cures, or non-surgical care for tuberculosis. Custodial, domiciliary, convalescent, or intermediate care; long term rehabilitation.

29. Any dental work, treatment or surgery; oral surgery, procedure for treatment of error of refraction, fitting of eye glasses or hearing aids; cosmetic including treatment for warts, plastic or reconstructive surgery, except to the extent that any of them are necessary for the repair and alleviation of damage to the Member caused solely by accidental bodily injury covered under this Contract.

30. Treatment involving sophisticated procedures such as thallium scintigraphy, angiography, dialysis, hyperalimentation, allergy testing, radiotherapy, chemotherapy, brachytherapy, organ transplantation or open heart surgery or treatments where comparable traditional/conventional modes of treatment exist. Respiratory therapy, speech therapy, physical therapy, occupational therapy and the like.

31. Human blood products; human anti-rabies or anti-tetanus vaccine (excluding first dose); other vaccines; out-patient benefits such as take home drugs and medicines.

32. Any treatment in connection to pregnancy or resulting childbirth or miscarriage or complications there from; sterilization of either sex or reversal of such, artificial insemination, sex transformation or care for infertility; treatment of venereal diseases and other sexually transmitted diseases and Acquired Immune Deficiency Syndrome (AIDS); treatment of cataract, benign prostatic hypertrophy, scoliosis, guillain-barre syndrome, chronic glomerulonephritis, spinal stenosis or vitiligo, epilepsy, cardiac valvular or rheumatic heart disease and chronic dermatoses.

33. Any charges where expenses are provided or covered by law or government including PhilHealth or treatment where charges are provided free of charge by any local or national government or treatment for any communicable disease declared by any government agency or entity as causing a state of emergency in an area.

34. Any treatment which are not recommended and performed by a Physician as being medically necessary including any charges for non-medical services such as telephone, radio, television, extra bed, extra food, toilet articles and the like, private duty nurse or physician.

35. Purchase or use of durable medical equipment, oxygen dispersing unit except rental for use only while confined; expenses for corrective/ prosthetic appliances, artificial aids, surgically implanted external devices and orthopedic hardware.

## **VII. ELIGIBILITY**

A Member must be a person who has attained the age of ten (10) years old but not more than 60 years old at the time of application. Attained age is defined as the age last birthday.

Kaiser reserves the right to require at any time the submission of such documents which Kaiser may deem appropriate for the purpose of validating the eligibility of Members.

## **VIII. PHILHEALTH/ ECC PROVISION**

This Contract is integrated with benefits under the PhilHealth and/or Employee Compensation Commission (ECC). The Kaiser will deduct these entitlements from the amount otherwise payable. Kaiser will not pay or advance the costs of such benefits, nor be responsible for filing any claims under PhilHealth or [CC].

Unless specified otherwise in the Schedule of Benefits, all the benefits and its limit provided under this benefits provision are inclusive of PhilHealth Benefits and as such, if the Member is not covered by PhilHealth, the amount that would have been payable by PhilHealth shall be paid by the Member prior to discharge from the hospital.

## **IX. EFFECTIVE DATE AND DURATION**

**1. EFFECTIVITY OF THE CONTRACT.** This Contract shall commence on the Effective Date upon payment in full of the Membership Fee, upon approval by Kaiser of the Member's application and issuance of the Contract signed by its authorized official.

### **2. TERMINATION OF CONTRACT BY MEMBER (FREE-LOOK PERIOD).**

By giving a written notice within fifteen (15) days from Effective Date of the Contract, Member may cause the termination of this Contract provided the ID Cards and this Contract are surrendered to Kaiser within the same period. Kaiser shall thereafter terminate the Membership and the termination provision of this Contract shall apply. Kaiser shall return any Membership Fee paid. Failure to terminate this Contract within the period set or avilment of any benefit by the Member pursuant to the terms and conditions provided hereunder shall be understood as an acceptance of all the terms and conditions of this Contract.

**3. TERMINATION OF CONTRACT BY HMO.** Kaiser shall have the right to immediately terminate this Contract in the event that:

- a. Any material representation or warranty made by Member which turns out to be false or untrue; or if Member commits any act with the intent to defraud Kaiser;
- b. Non-payment of Membership Fees and other obligations subject to agreed payment terms;

Termination under this provision shall be without prejudice to the right of Kaiser to collect the Member's obligations which have become due and demandable.

In the event of termination of this Contract by Kaiser, the Member shall be entitled to receive the Health Care Value, if any.

**4. SUSPENSION OF MEMBER'S COVERAGE.** Coverage shall be suspended in the event the Member enters military, naval or air service of any country or international authority.

**5. INVALIDATION OF CONTRACT.** Failure to disclose or misrepresent any material information by the Member in the application form or medical examination, whether intentional or unintentional, shall automatically invalidate this Contract from the very beginning, and Kaiser shall have the right to recover all costs of previous services rendered plus administration fee net of all Membership Fees paid.

## **X.MEMBERSHIP FEES**

**1. AMOUNT OF MEMBERSHIP FEES.** A Member shall pay Kaiser the amount stipulated in the Schedule of Benefits for the services covered under this Contract.

**2. PAYMENT OF MEMBERSHIP FEES.** A Member shall pay the membership fee and other applicable charges over the period stated in the approved Application Form in accordance with the selected mode of payment on or before the designated due date, without need of notice or reminder.

The Membership Fee shall be payable in advance and is subject to modification upon prior notice to the Member. Membership Fee may be paid at Kaiser Head Office or at such other places as may be designated by Kaiser and will only be binding on Kaiser if covered by its official receipts.

**3. GRACE PERIOD FOR PAYMENT OF MEMBERSHIP FEES.** A Member is given thirty (30) days grace period from Effective Date or due date, whichever is applicable, within which to pay the amount due. All claims incurred during the grace period shall be paid to the Member only after the due Membership Fee is paid.

**4. EFFECTS OF NON-PAYMENT OF MEMBERSHIP FEES.** Non-payment of the Membership Fees due after the grace period shall entitle Kaiser to:

a. Suspend all services under this Contract or services to Members whose Membership Fees have not yet been received, until full payment of all Membership Fees due, including penalty charges equivalent to one-half percent (1'h%) a month or a fraction thereof on the unpaid Membership Fees due, computed from due date: and

b. Terminate this Contract without prejudice to collect the amount due and the corresponding penalty charges that have accrued thereon.

**5. REINSTATEMENT.** This Contract may be reinstated upon the request of the Member and his compliance with the following requirements provided this Contract has not been surrendered for its Health Care Value:

a. Submission of an Application for Reinstatement, surrender of this lapsed Contract, and payment of the reinstatement fee.

b. Payment of all indebtedness and unpaid membership fees plus surcharge of one and one-half percent (1? %) per month from the due date of each unpaid membership fee.

Upon approval of the Application for Reinstatement, the Member shall be considered a new Applicant with respect to the provisions on Pre-existing illness or injury and for purposes of contestability of insurance coverage.

The Member shall be given a period of two (2) years from the first unpaid due date to reinstate this Contract. If reinstatement is not made within that time, Kaiser shall unilaterally cancel this Contract without need of notice to the Member.

## **XI.GENERAL PROVISION**

- 1. ENTIRE CONTRACT.** This Contract, the application form, rider clauses or warranties and/or any stipulation or endorsement attached or posted to this Contract or application form, shall constitute the entire contract between Kaiser, and Member. All statements and information contained in the Member's application Form shall be deemed representations and warranties

made by the Member himself for purposes of applying the provisions of this Contract.

Any change to this Contract must be approved by an Authorized Officer of Kaiser and such approval must be endorsed or attached to this Contract. Unless applied for by the Member, no such alteration or endorsement shall affect any Contract issued prior to the alteration or Endorsement without the written consent of the Member. The written consent shall be taken as his agreement to the contents of such alteration or Endorsement.

**2. IDENTIFICATION CARD.** Kaiser shall provide each Member with an Identification Card with his name and information on his membership, among others. The Member is obligated to surrender, without need of demand by Kaiser, the Identification Card upon termination of his Membership. The Member shall be legally responsible to reimburse costs of any medical services sought and rendered subsequent to the effective date of termination and agrees to settle directly to Kaiser the full amount. Failure by the Member to reimburse Kaiser within thirty (30) days from date of request by Kaiser to the Member will entitle Kaiser to collect interests for the duration of the delay at the rate of twice the ceiling prescribed by the Monetary Board.

**3. BILL-BACK ARRANGEMENT.** Medical expenses which are not covered under this Contract, which may have been advanced by Kaiser, intentionally or not, shall be billed back to the Member. The Member commits to reimburse Kaiser within 15 working days from notice to pay the billed amount inclusive of a service fee of 12% thereof. If the Member fails to settle or make the reimbursement within the prescribed period, the amount shall be treated as a loan against the Health Care Value net of any other indebtedness.

If the excess charges are not paid within the prescribed period, Kaiser reserves the right to suspend all services to the Member until the excess charges due, including penalty charge, have been paid and settled. If not settled within 90 days, the Contract will be terminated and Kaiser has no longer liability.

**4. UNFORESEEN EVENTS.** Kaiser shall not be liable for any inconvenience, delay, loss, damage, or other adverse conditions that may be sustained by the Member due to fire, earthquake or civil disturbance, extraordinary economic upheaval, or labor disputes, acts of God, government legislation or regulation or other conditions beyond its control, in connection with the discharge of its obligations under this Contract.

**5. AREAS WITHOUT ACCREDITED HOSPITALS.** In areas without Accredited Hospitals, Kaiser will reimburse the following:

a. 100% on room and board charges up to the maximum daily rate and not to exceed the Room and Board limits indicated in the Schedule of Benefits.

b. 100% on other hospital bills according to the Member's Room entitlement.

c. Professional Fees based on Kaiser rates for an Accredited Physician rendering the service in an Accredited Hospital according to the Physician's Fee limits indicated in the Schedule of Benefits.

6. **NON-TRANSFERABILITY.** All benefits in this Contract are not transferable or assignable. Member may not assign any of its rights or delegate any of its obligations under this Contract without the prior written consent of Kaiser. Kaiser may assign any of its rights or delegate any of its obligations upon written notice to Member. Any purported assignment or delegation in violation of this Contract is null and void.

During the Member's lifetime and with his/her express written consent, the Member may appoint the Principal Beneficiary to receive all the benefits under this Contract in the event of the Member's death.

7. **AUTHORITY TO EXAMINE MEDICAL RECORDS.** Member hereby represents and warrants that, at the time of the effectivity of this Contract and effectivity of coverage of each Member and his dependents, it has obtained from the Member and his dependents the required consents authorizing Kaiser and any of its authorized representatives to: (a) obtain, examine and process the Member's personal information, including the medical records of their hospitalization, consultation, treatment or any other medical advice in connection with the benefit/ claim availed under this Contract; and (b) disclose such information to Member and his/her representatives.

It is hereby agreed that it is the sole responsibility of Member to obtain from the Members the consent herein specified and that Kaiser shall have all the right to rely on the representation by Member that this consent shall have been duly and timely obtained. Member shall hold Kaiser free and harmless from and against any and all suits or claims, actions, or proceedings, damages, costs and expenses, including attorney's fees, which may be filed, charged or adjudged against Kaiser or any of its directors, stockholders, officers, employee, agents, or representatives in connection with or arising from the use by Kaiser of the Member's medical records and other personal information pursuant to this Contract and disclosure of such information to Member pursuant to Kaiser's reliance on Member's representation and warranty that Kaiser has the authority to examine, use or disclose, as the case may be, said medical records or personal information.



8. **CONFIDENTIALITY.** Member, agents or representatives, shall not use or reproduce, directly or indirectly any Confidential Information for the benefit of any person, or disclose to anyone such Confidential Information without the written authorization of Kaiser, whether during or after the term of this Contract, for as long as such information retains the characteristics of Confidential Information.

"Confidential Information means any data or information, that is proprietary to Kaiser and not generally known to the public, whether in tangible or intangible form, whenever and however disclosed, including, without limitation, (i) personal information, treatments or operations undergone by its Members, (ii) trade secrets, confidential or secret formulae, special medical equipment and procedures, (iii) medical utilization reports, directly or indirectly useful in any aspect of the business of Kaiser, (iv) any vendor names, Member and supplier lists, (v) marketing strategies, plans, financial information, or projections, operations, sales estimates, business plans and performance results relating to the past, present or future business activities of Kaiser, (vi) all intellectual or other proprietary information or material of Kaiser; (vii) all forms of Confidential Information including, but not limited to, loose notes, diaries, memoranda, drawings, photographs, electronic storage and computer print outs; (viii) any other information that should reasonably be recognized as confidential information of Kaiser. All information which Member acquires or becomes acquainted with during the period of this Contract, whether developed by Kaiser or by others, which Member has a reasonable basis to believe to be Confidential Information, or which is treated, designated and/or identified by Kaiser as being Confidential Information, shall be presumed to be Confidential Information. Confidential Information need not be novel, unique, patentable, copyrightable or constitute a trade secret in order to be designated Confidential Information.

9. **FUTURE TAXES, LEVIES AND GOVERNMENT IMPOSITION.** If during the effectivity of this Contract, the fees and benefits are made subject to new taxes, levies or fees, or such law, regulation or its equivalent resulted to changes in the formula or manner of computing taxes thereby resulting in additional obligations on the part of Kaiser, any additional amount due shall automatically be charged to the Member in addition to the fees stated therein. Future taxes, levies or fees referred herein are only those that affect the quoting of Membership Fees (Ex. 12% VAT), other future taxes, levies or government impositions that do not affect the quoting of Membership fees are therefore excluded.
10. **GOVERNING LAW.** This Contract shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

**11.ARBITRATION.** Any difference arising between the Member or any Member and Kaiser shall be referred to an arbitrator to be appointed by the parties to the dispute. If the parties are unable to agree on a single arbitrator, two (2) arbitrators shall be appointed (one by each party). In the event of further disagreement, the arbitrators shall select an umpire. If the difference between the parties requires medical knowledge (including any question regarding the appropriate maximum indemnity for any medical service or an operation not listed in the schedule of surgical fees) the arbitrators at the discretion of Kaiser, may be a registered medical practitioners and the umpire in such an instance, shall be a consultant Specialist, Surgeon, or Physician. Determination of an award shall be a Condition Precedent to Any Liability or right of action against Kaiser.

**12.VENUE.** The venue for any legal action that may be filed with respect to this Contract shall be in the City of Makati, Philippines to the exclusion of other applicable venues.

**13.NON-WAIVER OF CONTRACT PROVISIONS.** Failure of Kaiser to insist upon compliance of this Contract at any given time or under any given set of circumstances shall not operate to waive or modify such provision, or in any manner whatsoever to render it unenforceable, as to any other time or as to any other occurrence, whether the circumstances are, or are not, the same.

**14. SEPARABILITY.** If any term or provision of this Contract is declared invalid, illegal or unenforceable under Philippine laws, such invalidity, illegality or unenforceability shall not affect or render unenforceable any other term or provision of this Contract.

**15. NOTICES.** All notices, demands and other communications required or permitted hereunder shall be made in writing and sent to Member at the address indicated in the Conforme Letter.

**16. SUIT AGAINST COMPANY CLAUSE.** If a claim be made and rejected and an action or suit be not commenced either in the Insurance Commission or any court of competent jurisdiction within one (1) year from receipt of notice of such rejection or in case of arbitration taking place, within one (1) year after due notice of the award made by the arbitrator or arbitrators or umpire, then the claims shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

**17. RIGHT OF SUBROGATION.** The coverage under this Contract is extended to cover injuries of the Member caused by third party(ies) whether liability is determinable or not as in cases of vehicular accidents and other similar instances or related incidents including but not limited to all the claims, losses, damages which may be recovered by the Member or which may have

been paid to or due him as a result of the Illness or Disability which have been paid by Kaiser pursuant to the Terms and Conditions of the Contract and that the Member will subrogate his rights of recovery from any other party to Kaiser and will undertake to assist Kaiser in the successful recovery of the losses.

## **XI.INSURANCE BENEFITS**

A. If, at the time of signing the Membership Application, the Member is in good health, is at least eighteen (18) but not more than seventy-five (75) years old and performing the normal activities of daily life, he shall be insured under the Group Master Insurance Policies underwritten by a duly licensed insurance company, as described below:

**1. Term Life Insurance.** If the Member dies before attaining the age of seventy-five (75) years and prior to entitlement to the Long-Term Care Benefit Value as indicated in the Schedule of Benefits, his beneficiary shall be entitled to an amount equal to the sum of the Long-Term Care Benefit Value (LTCBV) and the Long-Term Health Care Experience Incentive Hospital Benefit Limit (LTHCEIHL) upon approval of the claim by the insurance company.

**2. Accidental Death & Dismemberment Insurance.** Should the Member suffer, directly and independently of all other causes, any bodily injury effected solely through external, violent and accidental means, occurring prior to the Member's 75th birthday and prior to entitlement to the Long Term Care Benefit Value (LTCBV), which result in any of the specified losses below within 180 days after the accident causing the injury, the insurance company will pay a percentage of the sum of the Long-Term Care Benefit Value (LTCBV) and the Long-Term Health Care Experience Incentive Hospital Benefit Limit (LTHCEIHL) in accordance with the following schedule:

Description	Percentage
Loss of Life	100%
Loss of both hands	100%
Loss of both feet	100%
Loss of sight of both eyes	100%
Loss of one hand & one foot	100%
Loss of one hand & sight of one eye	100%
Loss of one foot & sight of one eye	100%
Loss of one hand or one foot	50%
Loss of sight of one eye	50%

Loss shall mean the dismemberment of hands and feet by severance at or above the wrist bone or ankle joints respectively. Loss of eyesight must be total and irrecoverable.

Any partial benefit already paid for any loss(es) shall not be carried over in the subsequent contract year, i.e., the amount of benefits to be paid in the succeeding contract year shall not be reduced by any amount paid in the preceding contract year.

The loss of the first joint of the thumb or any other finger or of any toe shall be considered as equal to the loss of one half of the thumb or finger or toe. The loss of more than one phalanx of the thumb or of any other finger or of any toe shall be treated as loss of the entire thumb or finger or toe. Where there is loss of two or more parts of the hand, the percentage payable shall not be more than the loss of one whole hand.

The aggregate of all percentages payable with respect to any one accident shall not exceed 100%.

**3. Waiver of Membership Fees Due to Death.** If the Member dies during the Accumulation Period and before attaining the age of seventy-five, the proceeds under the Group Credit Life Insurance Policy issued by a duly licensed insurance company shall be applied to the remaining balance of total membership fees due upon approval of the claim by the insurance company rendering this Contract fully paid.

**4. Waiver of Membership Fees Due to Total and Permanent Disability.** If the Member becomes totally disabled during the Accumulation Period and before his 75th birthday thereby preventing him from engaging in any occupation for compensation or profit, is so disabled for life, and such disability continues for at least six (6) months, the payment of each membership fee becoming due during the period of disability shall be waived in accordance with the provisions of the Group Credit Life Insurance Policy issued by a duly licensed insurance company. However, pending approval of the claim, membership fees should be paid as they fall due, subject to refund upon approval of the claim.

All claims under the above Insurance Benefits shall be subject to two (2) years contestability period as provided for by law under the Amended Insurance Code of the Philippines.

## **B. Insurance Claims Procedure**

**1. Notice of Claim.** Written notice of claim must be given to the insurance company through Kaiser within thirty (30) days after the occurrence or commencement of any loss covered by the corresponding Group Master Insurance Policies. Failure to give notice within such time shall not invalidate or reduce any claim if it can be shown that it was not reasonably possible to give such notice within the required time and that such notice was submitted as soon as reasonably possible.

**2. Claim forms.** Upon receipt of a notice of claim, the insurance company through Kaiser shall furnish to the claimant such forms as are usually required by the insurance company for filing, proofs of loss. If such forms are not so furnished by the insurance company through Kaiser within fifteen (15) days after its receipt of such notice, the claimant shall be deemed to have complied with the requirements as to proof of loss upon submitting within the time fixed for filing proofs of loss, written proof covering the occurrence, character and extent of the loss for which claim is made. All certificates, information, and evidence required by the insurance company shall be furnished at the expense of the claimant.

**3. Proof of loss.** Completed claim forms and all other proofs of loss reasonably required by the insurance company must be submitted to the insurance company through Kaiser within ninety (90) days after the date of such loss. Failure to furnish such proofs within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to provide them within such time.

**4. Examination.** The insurance company, at its own expense, shall have the right and opportunity through its representative to examine the Member when and as often as it may reasonably require during the pendency of a claim for insurance benefits, and also the right and opportunity to make an autopsy in case of death where it is not forbidden by law or by the religion of the deceased Member.

**CIVIL CODE ARTICLE 1250 WAIVER.** The provisions of Article 1250 of the Civil Code of the Republic of the Philippines (Republic Act No. 386) which reads, In case an extraordinary inflation or deflation of the currency stipulated should supervene, the value of the currency at the time of establishment of the obligation shall be the basis of payment", shall not apply in determining the extent of liability under the provisions of this Contract.

**IMPORTANT NOTICE.** The Insurance Commission, with offices in Manila, Cebu and Davao, is the government office in charge of the enforcement of all laws related to Health Maintenance Organization (HMO), and has supervision over HMOs. It is ready at all times to assist the general public in matters pertaining to HMO, pre-need and insurance. For any inquiries or complaints, please contact the Public Assistance and Mediation Division (PAMD) of the Insurance Commission at 1071 United Nations Avenue, Manila with telephone numbers +632-5238461 to 70 and email address [publicassistance@insurance.gov.ph](mailto:publicassistance@insurance.gov.ph). The official website of the insurance Commission is [www.insurance.gov.ph](http://www.insurance.gov.ph).