

# Plan F:

## Save Premium Dollars!

### How does HDF work?

The HDF has a high deductible which must be met before policy benefits kick in, much like a major medical plan is structured, except this policy is designed for Medicare-eligible Seniors. **Once your customer has paid the calendar-year deductible (\$1,730 for 2005), HDF pays the exact same benefits as a regular plan F policy, but at a substantially lower premium. Benefits include:**

- **Inpatient Hospital Care** – Part A coinsurance, 365 extra days of hospital care during the lifetime after Medicare coverage ends.
- **Medical Costs** – Part B coinsurance or copayment amount.
- **Blood Deductible** – First three pints of blood each year.
- **Skilled Nursing Coinsurance**
- **Part A Hospital Deductible**
- **Part B Deductible**
- **Part B Excess Expense (100%)**
- **Foreign Travel Emergency** – 80% after \$250 deductible.

### How Much Can Your Clients Really Save in Premium?

At age 65, your client's Plan F policy costs \$150 monthly, and UA's HDF policy averages only \$60. That's \$90 a month difference or \$1,080 over 12 months.

<b>Current Monthly Plan F Policy Premium:</b>	<b>\$150</b>
<b>HDF Avg. Monthly Premium:</b>	<b>— \$ 60</b>
<b>Monthly Premium Savings:</b>	<b>\$ 90</b>
<b>\$90 x 12 months =</b>	<b>\$1,080 annual premium savings!</b>

Under their current plan, if they don't use the \$1,080 for claims, **THEY LOSE IT**. Under an HDF policy, if they don't use the money, **THEY KEEP IT** and their risk is capped.

Savings can be substantial with HDF. Thirty-seven percent of our age 65 policyholders have annual claims under \$200, with many averaging \$83. Based on the above figures, they would have \$997 saved in HDF premiums to use as they see fit. Purchasing an HDF can make great financial sense!

### How Will Customers Fund the Deductible?

After determining that an HDF policy is appropriate coverage for your client, the next most important step in selling an HDF policy and keeping it on the books, is to explain the funding options for the calendar-year deductible. Many of your 65 year old clients may be coming off a major medical plan through their former employer and will be comfortable in meeting a deductible before benefits are paid. However, there will be others for whom this idea is foreign. The first time their HDF doesn't pay their claims, they'll be calling you with questions.

### UA's Reserve Fund Annuity sets our HDF plan apart from other Med-Supp providers!

Although there are a number of ways to meet the calendar year deductible, United American has developed a no hassle, pre-paid way to fund your clients' out-of-pocket expenses using our **Reserve Fund Annuity (RFA)**. For a complete description of how this exciting funding option works – see pages 10-11. The HDF is approved for sale in states shown on the chart below. Mailings will be sent as additional approvals are received.

HDF with RFA is available in states marked with an "X" at press time.									
AK	-	GA	-	MA	-	NJ	-	SD	X
AL	X	HI	-	MD	-	NM	X	TN	X
AZ	X	ID	X	MI	X	NC	X	TX	X
AR	-	IL	-	MN	-	ND	X	UT	X
CA	X	IN	-	MS	X	OH	X	VA	-
CO	-	IA	-	MO	-	OK	X	VT	-
CT	X	KS	X	MT	-	OR	-	WA	-
DE	X	KY	X	NE	X	PA	-	WI	-
DC	X	LA	-	NV	-	RI	-	WV	X
FL	X	ME	X	NH	X	SC	X	WY	X
Plans and benefits vary by state.									

(Be sure to check the approval chart above for the states in which you sell. Vision will keep you informed as additional approvals become effective.)