

Content

Title : Model Provisions for Hospitalization Expense Insurance Policies Ch

Date : 1998.08.15

Legislative : 1. Full 20 articles adopted and issued 19 September 1997 per Letter No. (86)-Taiwan-Finance-Insurance-862398939 of the Ministry of Finance
2. Article 16 amended and issued 15 August 1998 per Letter No. (87)-Taiwan-Finance-Insurance-872441034 of the Ministry of Finance; for implementation from 1 September 1998

Content : Article 1

These policy provisions and the attached proposal, endorsements, and other agreements are all constituent parts of this insurance contract ("this contract").

Interpretation of this contract shall seek the true intent of the parties involved, and may not adhere blindly to the language employed. Where there is doubt, the interpretation favoring the insured shall be adopted.

Article 2

For the purpose of this contract, "illness" means an illness sustained by the insured on or after the effective date (or reinstatement date) of this contract.

For the purpose of this contract, "injury" means an injury sustained by the insured as a result of an accidental injury event during the effective term of this contract.

For the purpose of this contract, "accident injury event" means an extraneous sudden event that does not stem from illness.

For the purpose of this contract, "hospital" means a public or private hospital, or a hospital incorporated as a foundation, that has been granted an operating license and is equipped with hospital rooms to provide patients with inpatient treatment, as provided under the Medical Act.

Notwithstanding the foregoing, the term "hospital" does not include medical facilities for purposes other than providing direct patient treatment, such as those solely for the purpose of recuperative convalescence, drug detoxification, alcohol detoxification, nursing, or geriatric care.

For the purpose of this contract, "hospitalize" or "hospitalization" means a situation where the insured sustains an illness or injury, a physician makes a diagnosis that hospital confinement is necessary for further diagnosis and/or treatment thereof, formal procedures are followed for admittance to a hospital, and the insured actually resides in the hospital to receive diagnosis and/or treatment.

Article 3

The policy period under this contract shall start from 12 o'clock midnight on the inception date of the period stipulated in the policy until 12 o'clock midnight of its termination date, provided that a contractual agreement providing otherwise shall govern.

Article 4

When, during the effective term of this contract, the insured is hospitalized for diagnosis and/or treatment of an illness or injury as set forth under Article 2, this company will pay policy proceeds pursuant to the stipulations of this contract.

Article 5

Where the insured is hospitalized for diagnosis and/or treatment under the circumstances set forth in Article 4 as a party covered by social insurance, this company will reimburse any of the following expenses incurred during the hospitalization period that are required by social insurance to be borne by the covered party and are not within the scope of social insurance benefit coverage:

1. Extra expenses for a hospital room at a class higher than covered.
2. Board expenses other than for tube feeding.
3. Nursing expenses other than for special care nurses.

Article 6

Where the insured is hospitalized for diagnosis and/or treatment under the circumstances set forth in Article 4 as a party covered by social insurance, this company will reimburse expenses for any of the following that are incurred during the hospitalization period, are required by social insurance to be borne by the covered party, and are not within the scope of social insurance benefit coverage:

1. A designated physician.
2. Drugs taken upon a physician's instructions.
3. Blood (transmissions not necessitated by an emergency injury or illness).
4. Registration fees and documentation.
5. Fees for transportation by ambulance to and from hospitals.
6. Hospitalization expenses in excess of social insurance benefits.

Article 7

Where the insured is hospitalized for diagnosis and/or treatment as a party covered by social insurance, this company will make reimbursement for any surgical expenses incurred during the hospitalization period that are required by social insurance to be borne by the covered party and are not within the scope of social insurance benefit coverage, subject to a cap calculated by multiplying the maximum policy proceeds per surgical operation specified in this contract by the applicable percentage specified in the Table for Surgical Operation Names and Expenses. Where the insured has two or more surgical operations during a single hospitalization period, the policy proceeds for each surgical operation shall be calculated separately. Notwithstanding the foregoing, in a case where surgical operations are performed on two or more organs in a single surgical position during a single surgical operation, the insurance benefits will be calculated based on the highest relevant percentage specified in the Table for Surgical Operation Names and Expenses.

If the insured undergoes a surgical operation that is not listed in the

attached Table for Surgical Operation Names and Expenses, this company will negotiate with the insured to determine a benefit amount based on the benefit ratio for a surgical operation of comparable seriousness listed therein..

Article 8

Where during the effective term of this contract the insured, within 14 days of discharge from a hospital, is hospitalized again in the same hospital for the same illness or injury or for any complication caused thereby, the combined amount of all policy proceeds payable will be handled as if there were only one hospitalization.

Article 9

This company will not pay policy proceeds for the part for which the insured has received social insurance benefits.

Article 10

When the insured is hospitalized for diagnosis and/or treatment of an illness or injury caused by any of the following, this company will not bear liability for payment of any policy proceeds whatsoever:

1. A deliberate act of the insured (including suicide and attempted suicide).
2. A criminal act committed by the insured.
3. Unlawful ingestion or injection of narcotics by the insured

When the insured is hospitalized for diagnosis and/or treatment as a result of any of the following matters, this company will not bear liability for payment of any policy proceeds whatsoever:

1. Cosmetic surgery, plastic surgery, or congenital deformity, except for plastic surgery necessitated by an accidental injury event.
2. Dental surgery for purposes other than medical treatment, except as a result of an accidental injury event.
3. Fitting of a false tooth, prosthetic limb, artificial eye, eyeglasses, hearing aid, or any other accessory, except as necessitated by an accidental injury event, in which case one fitting thereof is covered.
4. Medical examination, therapeutic convalescence, or restorative convalescence.
5. Pregnancy, miscarriage/abortion, or childbirth, except for a miscarriage/abortion caused or necessitated by an accidental injury event or otherwise medically necessary.
6. Infertility, assisted pregnancy, or contraceptive or sterilization surgery for purposes other than medical treatment.

Article 11

The policy period of this contract is one year. Upon expiration of the policy period, the proposer may keep this contract in force on a rolling yearly basis by paying renewal premiums. This company may not refuse to renew.

When this contract is renewed, insurance premiums will be re-calculated based on the premium rate, as sanctioned by the competent authority, that is applicable at the time when the renewal becomes effective and based on

the age of the insured, provided that no adjustment may be made solely based on the individual insured's health status.

Article 12

When entering into this contract the proposer shall make truthful representations in response to the written inquiries of this company in the proposal regarding notifications, and if there is any deliberate concealment, negligent nondisclosure, or misrepresentation sufficient to alter or diminish this company's assessment of the risk, this company may rescind this contract; the same shall also apply after occurrence of an insured peril, provided that the above shall not apply where occurrence of the insured peril was not due to any representation or lack thereof by the proposer.

The right to rescind under the preceding paragraph will be extinguished if not exercised within one month of the time this company becomes aware of the cause for rescission, or if not exercised within two years of the contract commencement date.

Article 13

The proposer may terminate this contract through written notification to this company. This company shall deduct from the already paid current-period premium the premium for the already lapsed portion of the period, calculated at the short rate, and return the unearned premium to the proposer. The short-rate table is given in an appendix (omitted).

Article 14

The insuring age of the insured will be counted as the age last birthday, provided that one year will be added for any fractional amount greater than six months but less than one year. The proposer shall fill out the insured's year, month, and date of birth on the proposal when applying for insurance.

Article 15

The proposer, the insured, or the beneficiary shall notify this company within ten days upon learning of an event for which this company is required to bear insurance liability, and as soon as possible thereafter shall apply to this company, with the required documentation, for payment of policy proceeds.

This company shall make payment within 15 days after receiving all documents referenced in the preceding paragraph. If payment is not made within that period, this company shall pay interest at a rate of 10 percent per annum, provided that this company need not pay interest when the reason for the delay can be attributed to the proposer, the insured, or the beneficiary.

Article 16

The beneficiary of all policy proceeds shall be the insured only; this company will accept no other designation or change.

Upon death of the insured, where any policy proceeds under this contract have not been paid or fully paid, the beneficiaries of that portion of

benefits shall be the lawful heirs of the insured.

Part V of the Civil Code, "Succession," shall apply in determining the order of succession of the lawful heirs under the preceding paragraph and the percentage of policy proceeds due to each of them.

Article 17

A beneficiary filing claim for policy proceeds under this contract shall attach the following documents:

1. An application for policy proceeds.
2. The insurance policy or a transcript thereof.
3. A medical diagnosis or proof of hospitalization (provided, however, that a proposer or insured who is a physician may not issue a medical diagnosis or proof of hospitalization for the insured).
4. All receipts for medical expenses.

Article 18

Any right arising out of this contract shall be extinguished if not exercised within two years of the date a claim may be asserted.

Article 19

Any alteration to the content of this contract, or addition or deletion of any contractual particulars, will not take effect unless both the proposer and this company consent in writing and it is added as an endorsement to the insurance policy.

Article 20

For any litigation arising out of this contract, the parties hereto stipulate that the court of jurisdiction shall be the district court of the place where the proposer is domiciled, provided that when the proposer is domiciled outside the territory of the ROC, the court of jurisdiction shall be the _____ District Court.

Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System