EXCESS MAJOR MEDICAL COVERAGE

The following Bridge Plan application should be completed and submitted as follows:

Complete:

1. To complete the application on line, tab to each area and type it in. To place checks in the boxes, you can either use the space bar or your mouse. Print, sign and date the application and fax it back with this completed cover sheet.

   or

2. Print the application; complete each area by hand or typewriter. Print, sign and date it and fax it back with this completed cover sheet.

Submit:

1. Make sure all information below is completed then fax or mail both pages to Petersen International Underwriters, 23929 Valencia Boulevard, Suite 215, Valencia, CA. 91355

TO:	New Business Department	FAX:	661 - 254-3717
		PHONE:	661 - 254-0006
		E-Mail:	Kathyjean@piu.org
FROM:		FAX:	
		PHONE:	
		E-Mail:	
AGENT:	Medical Management Company	FAX:	
(If applicable)	3059	PHONE:	(626) 796-6113
		E-MAIL	

COMMENTS:

Thank you

Medical Management Company
597 E. Green Street, Suite 201
Pasadena, CA 91101
(626) 796-6113

EXCESS MAJOR MEDICAL COVERAGE APPLICATION

Plan Administrators: PETERSEN INTERNATIONAL UNDERWRITERS

Lloyd's Correspondents

23929 Valencia Blvd., Suite 215 • Valencia, CA 91355 • Tel (800) 345-8816 • Fax (661) 254-0604

Proposed Insured: FIRST _____ MIDDLE _____ LAST _____

Personal Statistics: DATE OF BIRTH _____ HEIGHT _____ WEIGHT _____ SEX _____

Address: NUMBER & STREET _____

CITY _____ STATE _____ COUNTRY _____ ZIP CODE _____

Usual Medical Attendant: NAME _____

Address: NUMBER & STREET _____

CITY _____ STATE _____ COUNTRY _____ ZIP CODE _____

Date & Reason Last Seen: _____

Deductible Amount: $ _____ SICKNESS RIDER OPTION? ❑ Yes ❑ No

IMPORTANT: PLEASE ATTACH A COPY OF YOUR CURRENT UNDERLYING BASE PLAN

PLEASE ANSWER ALL THE QUESTIONS

Questions 1-22 must be answered to receive consideration for coverage. For any questions that you answer "YES" to, please provide details of the medical condition including treatment, dates, name address and phone number of attending physician, diagnosis, prognosis, and present course of treatment on a separate sheet. Please attach these responses to this application. The Underwriters may request additional medical information.

1) During the past 5 years, have you been diagnosed with any medical condition, received treatment (including medications or consultations), or been hospitalized for any medical, mental or nervous conditions? ❑ YES ❑ NO

2) Are you currently disabled or unable to perform normal activities? ❑ YES ❑ NO

3) Have you ever been declined or accepted on a modified terms for life, disability or medical insurance? ❑ YES ❑ NO

4) Heart? ❑ YES ❑ NO

5) Blood vessels or circulatory system? ❑ YES ❑ NO

6) Blood pressure? ❑ YES ❑ NO

7) Diabetes or glands? ❑ YES ❑ NO

8) Cancer, tumor, cyst or growth? ❑ YES ❑ NO

9) Stomach, bowel or intestines? ❑ YES ❑ NO

10) Kidney, liver or gall bladder? ❑ YES ❑ NO

11) Lung or respiratory system? ❑ YES ❑ NO

12) Sight or hearing? ❑ YES ❑ NO

13) Mental or nervous system? ❑ YES ❑ NO

14) Neurological system? ❑ YES ❑ NO

15) Bone, skeleton, muscles, joints or skin? ❑ YES ❑ NO

16) Allergy? ❑ YES ❑ NO

17) Epilepsy? ❑ YES ❑ NO

18) Geno-urinary system? ❑ YES ❑ NO

19) Reproductive system? ❑ YES ❑ NO

To the best of your knowledge:

20) Have you ever been treated for or had any indications or physical disorder, injury or abnormality, not disclosed in the answers above? ❑ YES ❑ NO

21) Have you ever received treatment or joined an organization for alcoholism or drug dependency? ❑ YES ❑ NO

22) Have you been diagnosed or treated for Acquired Immune Deficiency Syndrome (AIDS), AIDS related complex (ARC), Lymphadenopathy Syndrome, or any Immune System Disorder? ❑ YES ❑ NO

PLEASE REMEMBER TO ATTACH A SEPARATE SHEET WITH ALL DETAILS TO ANY YES ANSWERS ABOVE.

DECLARATION

(Please read carefully)

I read and/or understand English. I have read the declarations on both sides of this application. I declare that the above information is true and complete and that, aside from the matters declared above, I am in good health and ordinarily enjoy good health. If Underwriters believe it necessary to obtain additional medical information, I authorize a medical practitioner to release any and all information pertaining to me. In the event of fraud, misstatements, concealment, or failure to disclose information on this application whether intentional or inadvertent, any insurance issued based upon this application may become void and no benefits will be payable.

Binding Arbitration–waiver of Right to Trial by Jury: I understand and agree that any disputes concerning this insurance must be submitted to binding arbitration if the amounts in dispute exceed the jurisdictional limits of small claims court and is not resolved with a formal review by Underwriters. I understand and agree that this is a waiver of my and Underwriters rights to a trial by jury.

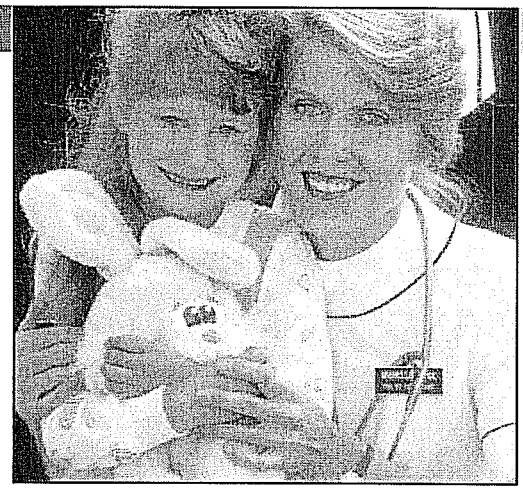
AUTHORIZATION

I hereby authorize any licensed physician, medical practitioner, hospital, clinic, or other medical or medically related facility, insurance company, or other organization, institution or person, that has records or knowledge of me or my health, to give to the Underwriters any information.

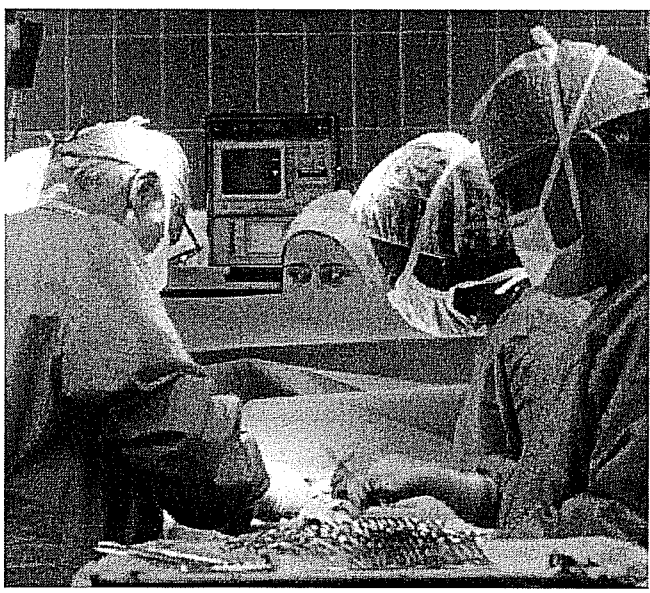
DATE _____ SIGNATURE _____ PRINTED SIGNATURE _____

EXCESS MAJOR MEDICAL COVERAGE

BENEFIT PROVISIONS



- This is an Optionally Renewable Catastrophic Accident Medical plan which will indemnify you for Eligible expenses in excess of your current Underlying Base Coverage, from Accidents as defined in this Certificate.
- Benefits are payable for up to 30 months following the date of an Accident or up to 24 months following the date of an illness, with optional sickness rider.
- The insurance described in this Certificate will reimburse you at the same Schedule of Benefits as your Underlying Base Coverage not to exceed the Usual, Customary, and Reasonable charges for providers expenses. All eligible Accident expenses and benefits shall mirror the benefit payment structure of your Underlying Base Coverage as outlined on the Declaration page of the Certificate, except the maximum benefit of your Underlying Base Coverage. All internal maximum benefits (sub-limits), if any on specific or general conditions, shall remain unchanged in this coverage.
- In the event that there is no other coverage in force at the time of your Accident, the Medical Expenses without Underlying Base Coverage terms and limitations shall apply. All other sections of the Certificate are applicable.
- The insurance described in this Certificate is secondary to medical benefits, services or reimbursement from any other source except Medicaid.
- Sickness Benefits are eligible ONLY if the Optional Sickness benefit is elected on the Application, indicated on the Declaration Page or by Endorsement to this Certificate, and the appropriate additional premiums have been paid.



OPTIONAL SICKNESS RIDER

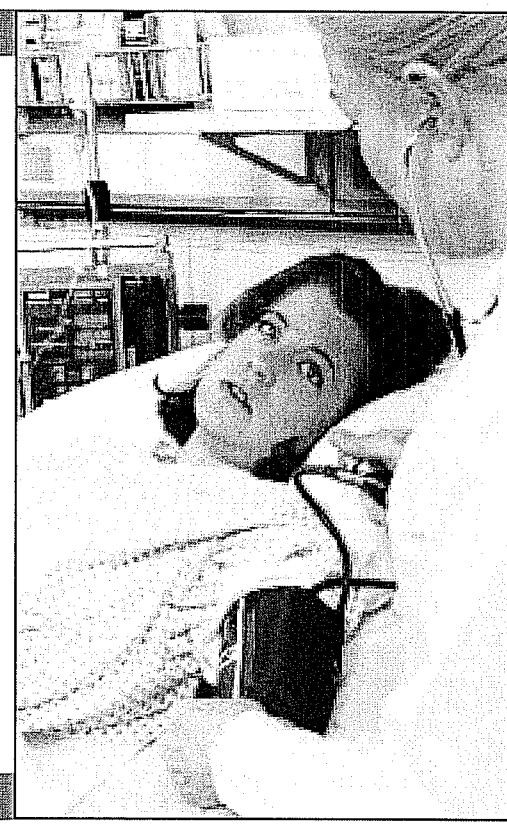
- Eligible Expenses for a Sickness must be incurred within a maximum period of 24 months following the date the Sickness first manifests itself and which was either diagnosed by a physician or which a prudent person should have sought a Provider for medical assistance and/or diagnosis.
- If elected on your Application, and included on the Certificate either in the Declaration section or by an attached endorsement, and the appropriate premiums have been paid, then all Eligible Expenses shall be available for a Sickness subject to the same terms and Conditions set forth within the Certificate and as described within the Optional Coverages Section of the Certificate.

This is not intended to be a complete outline of coverage.
Actual wording may change without notice.

EXCESS MAJOR MEDICAL COVERAGE

GUIDELINES

- **Do not send money with the application.**
- Applications may be originals, photo- or facsimile copies. Completed applications may be mailed or faxed to our office. We will underwrite from a fax, however, the application with the original signature must be received by our office prior to policy release.
- There must be one application completed for each person seeking coverage.
- Underwriting time is one to four working days.
- The earliest effective date available is 24 hours after underwriter's approval.



Medical Management Company
597 E. Green Street, Suite 201
Pasadena, CA 91101
(626) 796-6113

EXCESS MAJOR MEDICAL RATES

Annual Premium by Deductible

Age	$ 100,000	$200,000	$ 250,000	$ 500,000	$1,000,000	$ 2,000,000
0-16	$ 416	$ 395	$ 392	$ 362	$ 307	$ 200
17-29	$ 471	$ 451	$ 445	$ 416	$ 392	$ 238
30-39	$ 500	$ 476	$ 470	$ 445	$ 416	$ 253
40-49	$ 524	$ 505	$ 500	$ 471	$ 445	$ 273
50-59	$ 687	$ 668	$ 663	$ 633	$ 608	$ 347
60-64	$ 742	$ 721	$ 717	$ 687	$ 633	$ 362

Maximum benefit limit is $5,000,000 per person.

The adjacent rates are subject to change and may require additional loading for area factors and/or health reasons.

Optional sickness coverage—35% additional.
Plus $100 processing fee.

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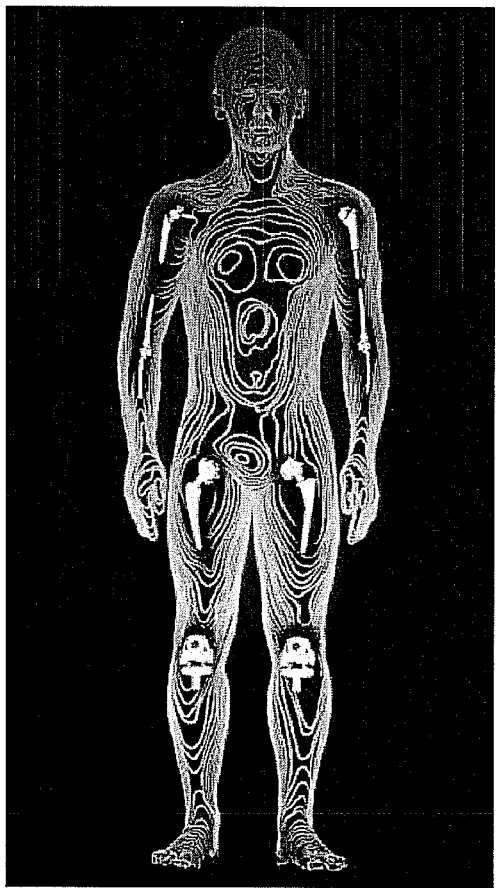
EXCESS MAJOR MEDICAL COVERAGE

True Story

a 19 year-old college student was involved in an automobile accident. She was comatose for many months. Her $1,000,000 maximum was consumed in eight months!

The Problem

Many medical insurance plans have a maximum benefit that ranges from $100,000 to $2,000,000. There is a trend toward a straight annual maximum or a combination annual/lifetime plan such as a $1,000,000 lifetime maximum with a $100,000 per year maximum.



Who Needs Excess Major Medical Coverage?

- An individual who feels his/her current major medical annual maximum benefit is insufficient. This may include benefits of an individual, group, self-funded, or a conversion plan.
- An individual with a major medical plan with no stop loss on the coinsurance.

Catastrophic losses can financially ruin an individual with a straight 80/20 plan. A $100,000 deductible plan would apply toward the 20% coinsurance to provide a stop loss which is affordable.

Important Answers to Key Issues

- ***What are the benefit limitations of this plan?***

  Since this plan is used most frequently as an *excess* plan, the benefit limitations are mirrored to the base plan's. There may be other limitations (such as geographic limitations).

- ***Can this policy be tied into the lifetime maximum of my clients' base plan?***

  No. Because of the nature of this policy, benefits and deductibles must be based upon a fixed time maximum.

- ***Since this is a 12-month policy, what happens if heavy losses begin in the 11th month of the policy?***

  The new "tail" added in January, 1997, allows benefits to be eligible for incurred expenses for up to 30 months following the date of an accident or 24 months for sickness. This is regardless of policy status. Also, the claims experience of major losses are typically a result of an immediate life-threatening accident or sickness. This means that the heaviest claims are incurred immediately and not over a long period of time. Of course there are exceptions such as extended treatment for cancer or AIDS.

- ***This is an annual policy with no guarantee to renew. What is to prevent cancellation of coverage after a large claim?***

  Like other individual or group medical plans, there is no guarantee that this policy will be renewed the following year. If an individual is non-renewed due to large claims, the policy was in force, benefits were probably paid, and the policy did what it was supposed to do. The following year, the insured would not be any worse off than he or she was before being covered by the Excess Major Medical plan.

EXCESS MAJOR MEDICAL COVERAGE

Medical Expenses Without Underlying Base Coverage

LIMITATIONS

Expenses which have limitations are as follows:

1) The maximum Eligible Expense for room and board charge is $450 per day.
2) The maximum Eligible Expense room and board charge for an intensive care unit is the lesser of three times the Provider's semi-private room and board charge or $1350 per day.

EXCLUSIONS

Expenses which are not eligible for reimbursement are as follows:

1) Any expense which you are not legally obligated to pay.
2) Services which are not Medically Necessary or are not furnished by and under supervision of a Physician.
3) Expenses for services and supplies for which you are entitled to benefits, services or reimbursement through the Veterans' Administration, Workers' Compensation insurance, any private health plan or from any other source except Medicaid.
4) Expenses in excess of usual, customary and reasonable (UCR) fees.
5) Outpatient drugs, except following a hospitalization if prescribed for the same illness or injury.
6) Self-inflicted injuries while sane or insane.
7) Treatment for alcoholism, drug addiction, allergies, and/or mental or nervous disorders.
8) Rest cures, quarantine or isolation.
9) Cosmetic surgery unless necessitated by an accidental injury.
10) Dental exams, dental x-rays and general dental care except as a result of an accidental injury.
11) Eye glasses or eye examinations.
12) Hearing aids or hearing examinations.
13) General or routine examinations.
14) Injuries sustained from participation in Hazardous Sports or Activities, which include mountaineering, snow skiing, scuba diving, hang gliding, sky diving, racing of any kind, and all professional or semi-professional sports.
15) Pregnancy and pregnancy-related conditions including but not limited to fertility, pre-natal care, childbirth, miscarriage or abortion.
16) Injuries due to war or any act of war whether declared or undeclared.
17) Injuries sustained while committing a criminal or felonious act.
18) Expenses incurred for or resulting from pain which is not supported by medical diagnosis.
19) Cataract surgery or any elective surgery.
20) Custodial Care.

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