The White Cross Plan

BANKERS LIFE & CASUALTY COMPANY

4444 WEST LAWRENCE AVENUE • CHICAGO, ILLINOIS 60630

April 16, 1965

Miss Laura Gilpin
Box 1173
Santa Fe, New Mexico

Re: #590,402,401

Dear Miss Gilpin:

I'm glad you wrote. Any time there's anything about your insurance not fully clear be sure to write. I'm happy to answer your question.

Here's how we paid the claim:

HOSPITAL SURGICAL POLICY		
13 Days Hospital @ $9.00	$117.00	
X-ray	$ 25.00	
Laboratory	$ 10.00	
Medicines	$ 10.69	
Total Hospital Benefits		$162.69
MEDICAL OR SURGICAL POLICY		
12 Office/Hosp. Calls @ $2.00	$ 24.00	
Total Medical or Surgical Benefits		$ 24.00
Total Amount of Claim		$186.69
Less: Check to St. Vincent Hospital		$162.69
Check to Policyholder		$ 24.00
HOSPITAL INDEMNITY POLICY		
1 week and 6 days @ $50.00 per week from 2/19 to 3/4/65	$ 92.86	
Total Hospital Indemnity Benefits		$ 92.86
Total Amount of Claim		$ 92.86
Check to St. Vincent Hospital		$ 92.86

Your room benefit was increased from $4.00 to $9.00 per day.

Your Hospital-Surgical Policy sets the limit for hospital benefits. You will see in the column headed "Hospital Rate" after your name the amount is $9.00. So that is the most the policy permits us to pay.

The Hospital-Surgical Policy says for one illness we can pay $25.00 for x-ray and $10.00 for laboratory. We paid this in our check of March 22, 1965.

The Hospital-Surgical Policy says we can pay expense up to $25.00 for medicines. The expense for this was $10.69. So that is what we paid.

(CONTINUED)

We couldn't pay for the physical therapy and telephone calls because the Hospital-Surgical Policy doesn't list these items as benefits.

Your Hospital Indemnity Policy does not have specific benefits for doctor bills. It pays you $50.00 a week while you're in the hospital. Then you can use this money to pay the doctor, or the hospital -- any way you want.

The policy says in bold type it is a Hospital INDEMNITY Policy. These are benefits for the time spent in the hospital. The policy doesn't pay for time spent at home, or away from work.

The policy says you collect at the rate of $50.00 a week. This is $7.14 a day.

Now, let's look at what we paid:

13 days @ $50.00 a week = $92.86

Now let's see what the Medical or Surgical Policy lets us pay for doctor calls:

> It says we will pay $3.00 when the doctor comes to your home, $2.00 when he calls at the hospital or you go to his office.
>
> It says payment in illness starts with the third call. (so we couldn't pay for the two calls, February 16 and February 19.) There were 14 calls, so we paid 12.

The Medical or Surgical Policy is not intended to pay for hospital expense. It is for doctor or clinic charges. The Miscellaneous Benefits can be paid only when the costs are not from a hospital.

Your policy says we always send the benefits direct to you, unless you tell us to send them to the doctor or hospital. In this case, we got your signed order telling us to send these benefits to St. Vincent Hospital. So our hands were tied -- we had to send the money as you ordered us to.

The money was sent to Miss Forster because she did sign a form telling us to pay the hospital.

I wish we could be of more help. Expenses sure mount up. But I'm sure you will agree we can only pay what the insurance permits.

Your friends at
Bankers Life,

A. G. Sullivan

A. G. Sullivan
Claim Review

AS:bk:jd