

KIDDIE HEALTH PLAN CONTRACT PROVISIONS

Art. I. AGREEMENT

This Health Care Agreement entered into by CARITAS HEALTH SHIELD, INC. (CARITAS) and the PAYOR, in behalf of the MEMBER named herein, the Membership Application signed by the PAYOR 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.

The contract between the parties shall take effect upon the payment of the Contract Price and other applicable fees, and upon approval by CARITAS of the Membership Application. It shall be valid and binding during the paying and the bonus period as defined hereunder and shall automatically be without force and effect thereafter.

Art. II. DEFINITION AND USE OF TERMS

"MEMBER" refers to the person to whom the health benefits are provided, who shall be at least thirty one (31) days old but not more than six (6) years of age.

"PAYOR" refers to the person paying the Contract Price and entering into this Agreement for the benefit of the MEMBER.

"GUARDIAN" refers to the parent/s of the MEMBER or any person entrusted in any capacity with the care of the MEMBER.

"HOSPITAL" refers to an institution operated in accordance with the current legal requirements for the care and treatment of sick and injured persons with organized facilities for major surgery and twenty-four (24) hour nursing service.

"CONTRACT PRICE" refers to the consideration or purchase price to be paid by the PAYOR over the paying period of the Agreement under the agreed-upon mode of payment.

"INSTALLMENT" refers to the amount of modal payment which can be made annually, semi-annually or quarterly.

"GRACE PERIOD" refers to the one (1) month period counted from the last due date within which the PAYOR may pay the installment without surcharges or penalties.

"REINSTATEMENT PERIOD" refers to the two-year period counted from the end of the grace period within which a lapsed Agreement may be reinstated.

"LAPSED AGREEMENT" refers to the Agreement which has remained unpaid beyond the grace period.

"PAYING PERIOD" refers to the length of time over which the full amount of the Contract Price shall be paid by the PAYOR, including the period of reinstatement if any.

"BONUS PERIOD" refers to the five (5) year period counted after the paying period or after the full payment of the Contract Price in installment.

(N.B. The terms MEMBER and PAYOR may be used interchangeably as the context requires, except in Art. IX.)

Art. III. CONSIDERATION AND GUARANTEE

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

Art. IV. HEALTH CARE BENEFITS

CARITAS shall provide the MEMBER with the Membership Privileges and Medical Expense Benefits described below to be administered by its accredited physician, specialist or dentist upon the written authorization, and under the direction, of its Medical Director or his authorized representative.

1. Membership Privileges (MP)

Upon the effectivity of his membership, the MEMBER may avail of the following health services at the diagnostic center that will be designated by CARITAS:

- a. MP Out-patient Services: up to twelve (12) consultations per year based on CARITAS-approved rates.
- b. Annual Well Kiddie Check-Up
 - 1) Taking of medical history
 - 2) Medical examination
 - 3) Growth assessment
 - 4) Nutritional assessment
 - 5) Developmental milestone assessment
- c. Preventive Health Care
 - 1) Periodic monitoring of health problems
 - 2) Consultation on diet, exercise and other healthful habits
 - 3) Immunization, excluding cost of drugs or vaccines
- d. Dental Care (excluding procedures requiring inhalational or intravenous anesthesia/general anesthesia)
 - 1) Up to four (4) consultations per year
 - 2) Annual oral prophylaxis, after at least three (3) months from the date of effectivity of this Agreement
 - 3) Tooth extraction, up to four (4) times per year
 - 4) Temporary filling or recementation, up to four (4) times per year
 - 5) Treatment of oral pain, lesions, wounds and burns
- e. Other Services
 - 1) Twenty-four (24) hours / Seven (7) days a week telephone assistance
 - 2) Discounts on non-covered health services at selected hospitals, clinics, laboratories, drug stores or optical shops

Signature of the Payor

Printed Name of the Payor

2. Medical Expense Benefits (MEB)

If the MEMBER suffers an illness or injury, CARITAS shall provide and/or pay for the actual cost of the following medically indicated health services subject to the provisions of Article V below:

a. Hospitalization Benefits

- 1) Room and board as specified in Art. V
- 2) Services of an accredited physician or specialist
- 3) Laboratory tests, x-rays and other indicated diagnostics
- 4) Use of surgical or medical equipment and facilities, such as operating and recovery room, intensive care unit, etc.
- 5) Administration of anesthesia and/or oxygen
- 6) Transfusion of hospital-provided blood products
- 7) Dressing, plaster of paris, and other medical supplies
- 8) Prescribed drugs and other medication used while confined in the hospital

b. MEB Out-Patient Services

- 1) Treatment of minor injury or illness
- 2) Minor surgery (not requiring hospital facilities)
- 3) Eye, ear, nose and throat treatment
- 4) Circumcision (for male) and ear piercing (for female)

c. Emergency Care

In case of emergency defined as a condition wherein the MEMBER is in severe pain or in imminent danger of death or disability due to an accidental injury or a sudden and unexpected onset of an illness, the MEMBER may immediately secure the necessary health services, and he shall be entitled to the following benefits:

- 1) If emergency care is availed of at an accredited hospital or clinic, CARITAS shall provide and/or pay for the actual cost of the health services listed under Hospitalization Benefits that may be needed by the MEMBER.
- 2) If emergency care is availed of at a non-accredited hospital or clinic, CARITAS shall reimburse eighty percent (80%) of the documented actual cost of said services, and professional fees of non-accredited physician based on CARITAS standard rates.
- 3) Ambulance service not to exceed Two Thousand Five Hundred Pesos (P2,500) per availment from a non-accredited to an accredited hospital, or from an accredited to another accredited hospital, if necessary for the purpose of seeking specific treatment not available in the former hospital, shall be reimbursed, provided transfer is authorized by an accredited physician and cleared by the attending physician.

The MEMBER, directly or through his representative, should notify CARITAS within twenty-four (24) hours from the start of the emergency. CARITAS shall not be liable if the MEMBER refuses to be transferred to an accredited hospital or clinic despite clearance from his attending physician.

d. Special Diagnostic and Laboratory Procedures

CARITAS shall provide and/or pay for the following Special Procedures if medically indicated, including hospital confinement if necessary:

- 1) X-ray
- 2) Computed tomography (CT) scan
- 3) 2D Echocardiography with Doppler
- 4) Ultrasound
- 5) Magnetic resonance imaging (MRI)
- 6) Electromyography (EMG)
- 7) Other procedures deemed appropriate by CARITAS

The cost of health services to be provided and/or paid for by CARITAS for Hospitalization, MEB Out-Patient Services, Emergency Care and Special Diagnostic and Laboratory Procedures enumerated above under Medical Expense Benefits (Art. IV, No. 2) shall be accumulated and shall not be allowed to exceed the maximum amounts of coverage specified in Art. V.

Art. V. MAXIMUM MEDICAL EXPENSE BENEFITS

Yearly Maximum Coverage

During the paying and the bonus period, the maximum aggregate amount of coverage, inclusive of hospital room and board, shall depend on the number of units purchased by the PAYOR and shall be determined in accordance with the following schedule:

YEAR	Maximum Aggregate Coverage per year & per unit	Maximum Daily Room Rate per unit
(Paying Period)		
1	P4,000.00	P100.00
2	P4,500.00	P120.00
3	P5,000.00	P140.00
4	P5,500.00	P160.00
5	P6,000.00	P180.00
(Bonus Period)		
6	P7,000.00	P220.00
7	P7,000.00	P220.00
8	P7,000.00	P220.00
9	P7,000.00	P220.00
10	P7,000.00	P220.00

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Should the cost of Medical Expense Benefits provided to the MEMBER exceed the Yearly Maximum Aggregate Coverage, CARITAS shall not pay for/advance the excess. Likewise, if the room chosen by the PAYOR has a rate or classification higher than the maximum specified above, CARITAS shall not be liable for the difference. Any excess, including incremental charges for the other health services resulting from the higher classification, shall be for the account of the PAYOR. It shall be the responsibility of the PAYOR to settle all excess charges directly with the Health Service Provider and/or CARITAS before or upon the discharge of the MEMBER, provided however, that if the MEMBER's case/condition is considered as a dreaded disease, he may avail of the cost of Medical Expense Benefits only once.

Art. VI. AVAILMENT OF HEALTH CARE BENEFITS

1. The MEMBER may avail of health care benefits from any Clinica Caritas facility, and if Clinica Caritas is not available in the area, MEMBER may avail of from among those designated by CARITAS. However, unless an emergency exists, the PAYOR must give timely notice to, and secure a Letter of Authorization from, CARITAS before any confinement, treatment or consultation of the MEMBER.
2. CARITAS shall pay directly to the Health Service Provider after receipt of the certification of treatment and the statement of account duly accomplished by the said Provider. If proof of a prior payment that may have been made by the PAYOR is presented within thirty (30) days from the date of payment with complete supporting documents, CARITAS shall reimburse the PAYOR, subject to the provisions of Art. IV and Art. V.
3. CARITAS shall not pay, or be liable for, the cost of any health services incurred by the MEMBER after his discharge has been authorized, or if the MEMBER refuses to follow the recommended treatment or procedure, or after it is established that no professionally-accepted treatment or procedure still exists. If MEMBER has been previously discharged against medical advice for same illness or any illness related thereto, CARITAS shall not be liable for the cost of any services incurred in connection therewith.
4. Benefits provided for under PhilHealth or ECC shall be deductible in the computation of the cost of health services covered by this Agreement. CARITAS shall be under no obligation to pay for or advance said PhilHealth or ECC benefits. It shall be the obligation of the PAYOR to pay for the benefits otherwise covered by PhilHealth should he be unable to comply with the requirements for PhilHealth benefit claim and/or membership.
5. If a third party is liable for the injury or illness for which health services are provided under this Agreement, CARITAS shall be subrogated, to the extent of the amount it shall have paid, to the rights or claims that the MEMBER may have against said third party.

Accordingly, the MEMBER should extend any and all assistance to CARITAS for the enforcement of this provision such as, but not limited to, execution of his affidavit and those of his witnesses, procurement of all needed object and documentary evidences, including testifying in Court, if necessary. Failure of which, the PAYOR shall reimburse CARITAS of any and all payments made to any third party by reason of such injury or illness the MEMBER suffered.

Art. VII. PRE-EXISTING ILLNESS OR INJURY

An illness or injury is considered pre-existing if, before the effectivity of this Agreement, it has been diagnosed as such, or it has manifested certain signs and symptoms, or its cause/origin is clinically determined to have already started. An applicant with a pre-existing illness or injury may still be accepted for membership, but CARITAS has the right to exercise the following options:

1. Provide the Medical Expense Benefits for said pre-existing illness or injury only after the first year of membership, or only after the second year of membership if it would require a major surgery.
2. Impose a Waiver of Coverage with respect to said pre-existing illness or injury during the paying and the bonus period.

Failure of the MEMBER to disclose a congenital and/or pre-existing illness or injury shall be a ground for CARITAS to declare this Agreement null and void from the beginning, forfeit as liquidated damages all payments made by the PAYOR, and/or demand for refund of the cost of health services and other expenses MEMBER may have incurred.

Art. VIII. EXCLUSIONS FROM HEALTH CARE COVERAGE

CARITAS shall not be liable for medical or any services under the following conditions:

1. Self-inflicted or induced injury or illness, or if arising out of attempted suicide or in connection with the commission of a crime or violation of law or due to unnecessary hazardous activities.
2. Drug or alcohol related abuse or dependency.
3. Cosmetic treatment and/or surgery and other forms of surgery for beautification, and procurement/use of eyeglasses, braces, hearing aids, prosthesis/prosthetic appliances including procedure and rehabilitation.
4. Pregnancy-related medical care, childbirth, miscarriage, abortion, sex transformation, artificial insemination, treatment of infertility, or sex sterilization.
5. AIDS, AIDS-related and sexually-transmitted diseases.
6. Physical examination for insurance, employment and the like, and medical services not incident to the treatment of an illness or injury, including medico-legal fees.
7. Open heart surgery, coronary angiography, percutaneous transcatheter angioplasty, pacemaker insertion, complicated hypertension, organ transplant or hyperalimentation.
8. New modalities of diagnostic procedures and treatment, including but not limited to robotic surgery, stem cell therapy, etc., unless deemed appropriate by, and upon prior approval of CARITAS.
9. Care by non-accredited physician or a Non-Caritas Health Shield physician in non-accredited hospital except in case of Emergency.
10. Immunotherapy, home-based and cardio-pulmonary rehabilitation services including occupational therapy, speech therapy and other therapies for developmental disorders, convalescent or recuperative care and take home medicine or medical supplies.
11. Psychotherapy, counselling and treatment of mental, psychiatric, neuro-logical (such as but not limited to Cerebral Palsy, Global Developmental Delay), developmental or neurodevelopmental disorders (such as but not limited to Autism, Attention-Deficit Hyperactivity Disorder, Speech Delay or Language Delay), anxiety and/or stress related conditions, or psychosomatic illness such as paroxysmal dyspnea, neuro-circulatory asthenia, hyperventilation and the like.
12. Congenital anomalies/diseases.
13. Catastrophic conditions defined as dreaded diseases acquired prior to enrolment with CARITAS.

Signature of the Payor

Printed Name of the Payor

Art. IX. INSURANCE BENEFITS

At the time of signing the Membership Application by the PAYOR, the PAYOR shall be insured by CARITAS under a Group Insurance Master Policy underwritten by a reputable and duly authorized insurance company, as described below.

1. Credit Life Insurance – If the PAYOR dies during the paying period, the proceeds of the credit life insurance shall be applied to the balance of the Contract Price upon approval of the claim by the insurance company.
2. Waiver of Installment due to Disability – If the PAYOR becomes totally disabled during the paying period, and such disability continues for at least six (6) months, CARITAS shall waive the payment of each installment becoming due during the period of disability. However, pending approval of the claim, installments should be paid as they fall due, subject to refund upon approval.

Total disability is defined as disability resulting from injury or illness which wholly prevents the PAYOR from engaging in any gainful occupation and which disability continues uninterrupted for a period of at least six (6) months. CARITAS may require the PAYOR to submit due proof of continued disability. However, complete loss of sight of both eyes, loss of two limbs at or above the ankle or wrist shall be considered as total disability.

All claims under the above insurance coverages shall be subject to contestability for a period of one (1) year from the date of issue or reinstatement of this Agreement.

Art. X. RESERVE FUND GUARANTEE

CARITAS shall maintain a reserve fund with reputable and duly authorized banks and deposit therewith such amounts as may be needed in order to comply with, and for the exclusive purpose of discharging its obligations under this Agreement.

Art. XI. CONTRACT PRICE, GRACE PERIOD, AND CANCELLATION

1. The PAYOR shall pay the Contract Price and other applicable charges over a period of five (5) years in accordance with the selected mode of payment on or before the designated due date. All payments should be made to CARITAS at any of its offices or through its authorized representative and will only be binding on CARITAS if covered by its official receipts.
2. If payment is not made on or before the due date, this Agreement shall lapse. However, the PAYOR shall be given a grace period of one (1) month from due date to pay the due installment. Benefits may be provided to the MEMBER during the grace period only after the due installment is paid.
3. If payment is not made before the end of the grace period, this Agreement shall, without need of notice to the PAYOR, be terminated and shall no longer have any force or effect. The MEMBER shall lose his rights and privileges except the right to reinstate by the PAYOR, subject to the requirements for membership of a new applicant in effect at the time of reinstatement.
4. The PAYOR shall be given a period of two (2) years from the end of the grace period within which to reinstate this Agreement. If reinstatement is not made within that period, CARITAS shall unilaterally cancel this Agreement without need of notice to the PAYOR. All payments previously made by the PAYOR shall also be forfeited in favor of CARITAS as liquidated damages.

Art. XII. REINSTATEMENT

This Agreement may be reinstated upon the request of the PAYOR and his compliance with the following requirements:

1. Submission of an Application for Reinstatement, surrender of the lapsed Agreement, and payment of the reinstatement fee.
2. Payment of all unpaid installments plus surcharge of one and one-half percent (1 ½%) per month from the due date of each unpaid installment. If reinstatement by re-dating is chosen, payment of one (1) installment, subject to the then prevailing rates and other conditions of CARITAS, and the start of the bonus period shall be adjusted accordingly.

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 (Art. VII), and for purposes of contestability of insurance coverage (Art. IX)

Art. XIII. TRANSFER

The MEMBER, through the PAYOR, shall be allowed to transfer his rights under this Agreement while the same is in force, upon submission of his written request and surrender of this Agreement together with a Membership Application signed by the PAYOR/GUARDIAN/representative of the Transferee and payment of the processing fee and all applicable installments based on the Transferee's age, which must not be lower than the age of the MEMBER at the time of the transfer and must not be more than eighteen (18) years of age upon the expiration of this Contract. However, the Transferee shall be considered a new applicant subject to acceptance by CARITAS. If approved, his membership shall be subjected to the provisions on Pre-existing Illness or Injury (Art. VII) and contestability of insurance coverage (Art. IX).

Art. XIV. UNFORESEEN EVENTS

1. CARITAS 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, war or civil disturbance, extraordinary economic upheaval, strikes 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 Agreement.
2. The PAYOR and CARITAS expressly agree to waive the applicability to this Agreement of Art. 1250 of the New Civil Code of the Philippines (RA 386) which provides: "In case of extraordinary inflation or deflation of the currency stipulated should supervene, the value of the currency at the time of the establishment of the obligation shall be the basis of payment..."
3. Should a new tax or fee be imposed in the future by law or ordinance affecting this Agreement, the Contract Price, or the charges for the health care and other benefits guaranteed herein, the PAYOR shall be liable for the same.

Art. XV. ARBITRATION CLAUSE

All questions and complaints of the PAYOR shall first be lodged with CARITAS home office and shall be immediately resolved through dialogues within thirty (30) days from its filing. If CARITAS fails to resolve the complaint, the PAYOR shall now refer the same to Association of Health Maintenance Organizations of the Philippines (AHMOPI) for submission to the grievance machinery established for the purpose, pursuant to Executive Order 192, series of 2015.

Art. XVI. VENUE AND PRESCRIPTION

Notwithstanding the above, the venue for any legal action that may be filed with respect to this agreement shall be exclusively instituted in Quezon City, Philippines. No such legal action may be filed beyond the period of two (2) years from the time the cause of such action shall have arisen.

Signature of the Payor

Printed Name of the Payor