



Hospital Indemnity Insurance – Cash When You’re in the Hospital

Hospital indemnity is a supplemental policy that pays you a cash benefit when you are admitted to the hospital. It is not major medical insurance — it is designed to help with the extra costs that come with a hospital stay.

How It Works

- You pay a fixed monthly premium for the coverage.
- If you are admitted to the hospital for a covered reason, the policy pays a set cash amount — often a flat daily, weekly, or lump-sum benefit.
- The money is paid directly to you (or to whoever you designate). You can use it however you need — deductibles, travel, groceries, time off work, or anything else.
- Benefits are typically paid regardless of what your major medical or Medicare plan pays.

Why People Buy It

- Hospital stays can trigger high deductibles and coinsurance
- Medicare and many plans still leave gaps
- Cash can help with travel, lodging for family, lost wages, or everyday bills
- Benefits are paid to you — not restricted to medical bills only
- Can be especially useful for people on fixed incomes

Important to Understand

- This is supplemental coverage — it does not replace major medical or Medicare
- Pre-existing condition limitations or waiting periods may apply
- Benefits and daily amounts vary by policy
- Some policies limit the number of days paid per confinement or per year
- Always read the outline of coverage before buying

Who It Can Help

People on Medicare or high-deductible plans, those with limited emergency savings, or anyone who wants extra cash protection if a hospital stay occurs. It is often paired with other supplemental products (accident, critical illness, etc.) as part of a broader gap strategy.

HOW HUGS CAN HELP

Hospital indemnity can be a useful layer of protection when it fits your overall plan. We can help you see whether it makes sense alongside your Medicare or other coverage. At HUGS we have no greater joy than to hear that our clients are walking with confidence.