



**BlueCross BlueShield
of Nebraska**

An Independent Licensee of the Blue Cross and Blue Shield Association.

BlueEssentials HSA-Eligible High Deductible Health Plans

OUTLINE OF COVERAGE

HEALTH PLANS *for Individuals & Families*

For coverage beginning January 1, 2010



BlueCross BlueShield of Nebraska

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HEALTH PLANS *for Individuals & Families*

You should read your contract carefully.

This outline of coverage provides you with an overview of the Blue Cross and Blue Shield of Nebraska BlueEssentials HSA-Eligible High Deductible Health Plan coverage.

This is not your contract. Only the actual benefit provisions in your contract determine your benefits. The contract itself sets forth in detail the rights and obligations of both you and Blue Cross and Blue Shield of Nebraska. In the event that there are discrepancies with the information in this document, the terms and conditions of the contract will govern.

Therefore, it is important that you read your contract carefully.

For more complete information about your plan, including benefits, exclusions and limitations, please refer to the BlueEssentials contract and the HSA-Eligible plans endorsement. All plans are medically underwritten.

These plans are underwritten and administered by Blue Cross and Blue Shield of Nebraska, an independent licensee of the Blue Cross and Blue Shield Association.

BlueEssentials HSA-Eligible High Deductible Health Plans outlined here and detailed in the contract are designed to provide you coverage for hospital, medical and surgical expenses incurred as the result of a covered illness or injury. Coverage is provided for daily hospital room and board, miscellaneous hospital services, surgical services, anesthesia services, in-hospital services and out-of-hospital care. Covered services are subject to deductible and coinsurance provisions, or other limitations set forth in the contract.

This coverage is available to you (“single” coverage) or to you and your family (“family” coverage includes you, your spouse and eligible dependent children).

Important Information: BlueEssentials HSA-eligible plans do **not** include benefits for treatment of mental illness and/or substance abuse. Maternity coverage is available as an optional benefit.

Calendar Year Deductible

The deductible is the fixed dollar amount you pay for covered services each calendar year before benefits are available.

Family Deductible

The family deductible is an aggregate deductible, meaning all family members combine their covered expenses to meet the required deductible amount. Family members may combine their covered expenses to satisfy the required deductible amount.

Coinsurance and Your Calendar Year Coinsurance Maximum

After you have met your calendar year deductible, you are responsible for paying a certain percentage of covered charges (called coinsurance) until you reach your coinsurance maximum. Once you reach your coinsurance maximum, you pay nothing for most covered services for the rest of the calendar year.

To determine how much you’ll spend in covered charges in a calendar year, just add together your deductible and coinsurance maximum.

Benefit Maximum

Total benefits are limited to a \$10 million maximum per covered person. Total benefits include those benefits paid for expenses incurred under Rx Nebraska Prescription Drug Program, as well as under prior contracts with us.

Allowable Charge

Payment is based on the allowable charge for a covered service. Generally, the allowable charge for services by PPO and Participating providers will be the contracted amount.

The allowable charge for the services by noncontracting providers will generally be the lesser of the billed charge or the reasonable allowance for the service. You are responsible for the charges in excess of the contracted amount for services provided by a non-contracting provider.

Network BLUE

Whatever option you choose, you have access to a large network of hospitals, doctors and other health care providers. Our Network BLUE network is made up of 93% of the state’s doctors and 100% of non-governmental acute care hospitals. You save money when you use in-network providers. In most cases, you pay less in deductible and coinsurance when you use in-network providers – plus, in-network providers have agreed to accept our benefit payment for covered services as payment in full (except for deductibles, copays, coinsurance and/or charges for noncovered services, which are your responsibility). Network BLUE providers, under the terms of their contract with us, *can’t* bill you for amounts over our benefit allowance. Out-of-network providers *can* bill you for amounts in excess of the amount payable under the contract.

To locate Network BLUE providers in Nebraska:
www.bcbsne.com

Or, call the Member Services number on the back of your I.D. card.

BlueCard Program: Your National PPO Network

You have access to a national Blue Cross and Blue Shield PPO network called the BlueCard Program.

To access your benefits wherever you are, all you have to do is use hospitals and doctors in the local Blue Cross and Blue Shield Plan’s PPO provider network. When you do, you enjoy the discount and claim filing agreements Blue Cross and Blue Shield Plans across the country have negotiated with the BlueCard doctors and hospitals in their area.

To locate BlueCard PPO providers nationwide:
www.bcbs.com
1 (800) 810-BLUE (2583)

Health Savings Accounts

BlueEssentials HSA-Eligible High Deductible Health Plans work in combination with a health savings account (HSA) to help you save and pay for your health care.

Enrolling in a BlueEssentials health plan that is compatible with an HSA allows you to pay for qualified medical expenses such as your out-of-pocket costs for office visits, prescription drugs, dental expenses and laboratory tests on a tax-free basis. Contributions to an HSA are tax deductible and can earn tax-free interest. You decide how and when to use your HSA funds. For example, you may use your HSA to pay for your health care until you meet your health plan deductible or you may save the funds for future medical expenses. Unlike other reimbursement-type plans, money in an HSA can accumulate indefinitely. After age 65, HSA funds can be used for other purposes, not just medical expenses, without incurring any penalties.*

Many financial institutions, including banks, savings and loans and credit unions, offer HSAs. In general, any

individual who is covered under a “high deductible health plan” is eligible to establish an HSA. You are not eligible for an HSA if you are covered by another health plan that is not a high deductible plan or you are entitled to Medicare, or if you are a dependent on someone else’s tax return.

You may contribute up to the maximum federal statutory amount, regardless of your health plan’s calendar year deductible amount, into your HSA. Federal statutory amounts for 2010 are \$3,050 for single and up to \$6,150 for family.

*** HSA distributions for non-medical expenses are subject to income tax.**

Please note: The deductible and coinsurance maximum for this plan are increased annually to conform with cost of living adjustments permitted by section 223 of the Internal Revenue Code and subsequent amendments.

BlueEssentials HSA-Eligible Plans

PLAN CHOICE		Option 1		Option 2		Option 3	
		IN NETWORK	OUT OF NETWORK	IN NETWORK	OUT OF NETWORK	IN NETWORK	OUT OF NETWORK
Deductible (Calendar year)	SINGLE	\$1,500	\$3,000	\$2,500	\$5,000	\$5,000	\$10,000
	FAMILY	\$3,000	\$6,000	\$5,000	\$10,000	\$10,000	\$20,000
Coinsurance maximum (Calendar year)	SINGLE	\$0	\$2,000	\$0	\$2,000	\$0	\$2,000
	FAMILY	0	\$4,000	\$0	\$4,000	\$0	\$4,000
Total out-of-pocket (Calendar year, includes deductible)	SINGLE	\$1,500	\$5,000	\$2,500	\$7,000	\$5,000	\$12,000
	FAMILY	\$3,000	\$10,000	\$5,000	\$14,000	\$10,000	\$24,000
Coinsurance percentage for most covered services		0%	20%	0%	20%	0%	20%
First dollar routine care coverage		\$500 first dollar coverage		\$500 first dollar coverage		\$500 first dollar coverage	
Routine mammograms		Covered @ 100%	40%	Covered @ 100%	40%	Covered @ 100%	40%
Routine Pap smears		Covered @ 100%	40%	Covered @ 100%	40%	Covered @ 100%	40%
Routine immunizations		Covered @ 100%	40%	Covered @ 100%	40%	Covered @ 100%	40%
Coinsurance percentage for maternity benefits*		NOT COVERED (unless added as an optional benefit)					
Mental illness/substance abuse treatment		NOT COVERED (including prescription drugs)					
Prescription drug coverage		No cost after deductible (Medical Plan deductible applies)					
Total contract benefit maximum		\$10 million per covered person					

* Coinsurance percentage for maternity benefits when added as an optional benefit will be 0% for in-network benefits and 20% for out-of-network benefits.

This coverage does not provide benefits for the following types of care: Inpatient and outpatient treatment of mental illness and/or substance abuse treatment.

Deductible, coinsurance maximum and out-of-pocket amounts listed are on a calendar-year basis. Your total out-of-pocket amount includes the deductible plus the coinsurance.

The deductible and coinsurance maximum for these plans may be increased annually to conform with cost of living adjustments permitted by Section 223 of the Internal Revenue Code and subsequent amendments.

If you enroll under “family” or “single parent” coverage, these plans require satisfaction of an aggregate deductible and coinsurance maximum.

Benefits

Inpatient Hospital Benefits

(Including long-term acute care)

Benefits are available for (but not limited to) the following covered services:

- Anesthesia
- Chemotherapy
- FDA-approved drugs, intravenous solutions and vaccines administered in the hospital
- Inpatient physical rehabilitation, subject to certain requirements*
- Physical, occupational and speech therapy
- Radiology, pathology and radiation therapy
- Respiratory care
- Semi-private room; cardiac and intensive care units; treatment rooms and equipment
- Up to 30 days per calendar year in a skilled nursing facility when ordered by a physician*

* Requires benefit certification. For more information, please see page 6.

Outpatient Hospital Benefits

Benefits for the covered services listed under “Inpatient Hospital Benefits” are also available (subject to certain limitations) when they are received in a hospital outpatient department, emergency room or ambulatory surgical facility. Benefits for outpatient cardiac and pulmonary rehabilitation are available, subject to medical criteria.

Physician Benefits

Benefits are available for (but not limited to) the following covered services:

- Allergy tests, injections and extracts
- Anesthesia
- Consultation
- Physician home, office and outpatient visits for diagnosis/treatment of an illness or injury
- Radiation therapy and chemotherapy
- Radiology and pathology, including tissue exams and interpretation of Pap smears
- Routine screening mammograms
- Surgery and surgical assistance (for specified procedures)

Routine Care

Up to \$500 in benefits is available per person each calendar year for routine care. Covered services are not subject to deductible or coinsurance amounts. Benefits include office exams, vision and hearing exams, cardiac stress tests and lab and X-ray services.

Maternity and Newborn Coverage

When added as an optional benefit: Maternity coverage is available to females under single or family membership and to spouses and covered dependent daughters under a family membership. Benefits for obstetrical care include prenatal and postnatal care.

Benefits for covered newborn care include hospital room and board, screening tests (including newborn hearing), physician services and medically necessary treatment. If covered under a single membership, a newborn will be covered as of the date of birth for a period of 31 days; the aggregate family deductible will be applicable. To continue coverage, an application to change to family coverage must be made within this 31-day period.

Oral Surgery

Benefits are available for (but not limited to) the following covered services:

- Bone grafts to the jaw
- Pre-treatment evaluation and outpatient removal of impacted teeth
- Removal of tumors and cysts
- Treatment of natural teeth due to an accident which occurs within 12 months of the injury not related to eating, biting or chewing

Organ and Tissue Transplant

Benefits are available for services associated with medically necessary organ and tissue transplant, including (but not limited to) liver, heart, lung, heart-lung, small intestine, kidney, pancreas, pancreas-kidney and cornea. Benefits are also available for bone marrow transplants, including allogenic/autologous stemcell transplants.

Transplant procedures must be preauthorized by BCBSNE.

Skilled Nursing Care, Home Health Aide and Hospice Services

The following covered services require benefit preauthorization. Limitations and exclusions apply.

Skilled nursing care: Benefits are available for medically necessary physician-ordered care by a registered or licensed practical nurse for up to eight hours per day.

Home health aide: When services are related to active medical treatment, benefits include personal services such as bathing, feeding and performing necessary household duties for a homebound patient.

Hospice care: Benefits include Medicare-certified hospice services for a terminally ill patient, including home health aide and hospice nursing services, respite care, medical social worker visits, crisis care and bereavement counseling. Limited benefits for inpatient hospice care are also available.

Other Covered Services

(Please note: limitations and exclusions apply.)

- Ambulance service
- Covered prescription drugs*
- Diabetes outpatient self-management training and patient management from an approved provider; podiatric appliances. Diabetes education benefits are subject to a maximum of \$500 per calendar year
- Outpatient occupational therapy, physical therapy, speech therapy, cognitive training, chiropractic/osteopathic physiotherapy and spinal manipulations and adjustments, up to a combined maximum of 40 sessions per calendar year
- Rental/initial purchase (whichever costs less) of medically necessary home medical equipment ordered by a doctor; limited benefits are available for the repair, maintenance and adjustment of purchased covered medical equipment
- Routine immunizations; benefits for pediatric immunizations (through age 6) are not subject to calendar year deductible, but are subject to applicable coinsurance
- Services in accordance with the Women's Health and Cancer Rights Act, which requires that insurance companies that provide medical and surgical benefits for mastectomies also provide benefits for breast reconstruction, prostheses and treatment of physical complications

* **Please note:** Preauthorization may be required for prescription drugs as determined by Blue Cross and Blue Shield of Nebraska. Preauthorization is required for COX-2 drugs and Proton Pump Inhibitors. *Refer to your certificate of coverage for more information.*

Limitations and Exclusions

This document contains only a partial list of the limitations and exclusions that apply to these HSA-eligible plans. For a complete listing, please refer to your BlueEssentials HSA-Eligible contract.

No benefits are available for the following:

- Services determined to be not medically necessary
- Blood donor services
- Treatment of obesity, including gastric bypass and other surgical procedures
- Artificial insemination; in vitro fertilization, fertility treatment and monitoring
- Erectile dysfunction
- Massage therapy by a massage therapist
- Nutrition care, supplies, supplements or other nutritional substances, including Neocate, Vivonex and other over-the-counter supplements
- Radial keratotomy or any other procedures/alterations of the refractive character of the cornea to correct myopia and/or astigmatism
- Services we consider to be investigative, experimental, cosmetic or obsolete
- Services, drugs, medical supplies, devices or equipment that are not cost-effective compared with established alternatives or that are provided for the convenience or personal use of the patient
- Services provided before the coverage effective date or after termination
- Services for illness or injury sustained while performing military service
- Services for injury/illness arising out of or in the course of employment
- Charges for services which are not within the provider's scope of practice
- Charges in excess of the contracted amount
- Charges made separately for services, supplies and materials we consider to be included within the total charge payable
- Services for any autologous or allogeneic bone marrow transplants not specifically listed in the contract as covered
- Routine care (except as described in the contract)
- Residential treatment programs
- Treatment, filling, removal, repositioning or replacement of teeth including orthodontics or implants
- Root canal therapy or care
- Treatment of TMJ (temporomandibular jaw joint)
- All other procedures involving the teeth or structures directly related to or supporting the teeth including the gums
- Inpatient and outpatient treatment of mental illness and/or substance abuse, including Rx drugs
- Maternity/pregnancy services (unless added as an optional benefit)

Notification Requirements

The following are requirements you or your NETWORK BLUE provider must follow to receive the maximum benefits available under your coverage.

Notification

Blue Cross and Blue Shield of Nebraska must be notified of all medical/surgical inpatient hospital admissions. This enables us to coordinate discharge planning, case management and disease management services with the patient's providers. If the patient is hospitalized in a contracting NETWORK BLUE hospital in Nebraska, notification will be provided by the hospital.

If the patient is hospitalized in a non-NETWORK BLUE hospital in Nebraska or is admitted to an inpatient facility in another state, Blue Cross and Blue Shield of Nebraska must be notified.

Certification

The purpose of precertification is to determine whether a service or admission discussed below meets the medical necessity criteria of your coverage. If you choose to have these services performed even though we are unable to certify the medical necessity of the services, you will be responsible for the charges.

Precertification is required for the following inpatient care, regardless of where the care is received, in or out of network:

- Physical rehabilitation
- Long-term acute care
- Skilled nursing facility care

When possible, certification/notification should be completed prior to the inpatient admission. If certification/notification does not take place when required, available benefits for covered services will be reduced by 25%. Benefits for services that are not medically necessary will be denied.

Certification/notification of benefits for an inpatient admission, call 1 (800) 247-1103 or 1 (402) 390-1870.

General Information

Coverage and Rates

Applications are subject to our approval. Coverage is available to Nebraska residents only.

Premium rates will be reviewed and adjusted each year with a renewal date of January 1. Blue Cross and Blue Shield of Nebraska plans are age-rated. Your rate for the entire year is based on your age as of the annual renewal date. We will notify you at least 30 days in advance of any premium change.

Waiting Periods

No benefit payment will be made for covered services provided for a pre-existing condition or congenital abnormality until coverage has been in effect for at least 365* continuous days.

This 365-day maximum waiting period does not apply to a child who is born or an adopted child placed with the adopted parents after the effective date of coverage, who is otherwise eligible for coverage.

*** If optional maternity benefit is added, benefit payment for pregnancy shall not be made for services provided unless normal childbirth either does or would have occurred after 270 days of continuous Blue Cross and Blue Shield of Nebraska maternity coverage.**

Definition of a Pre-Existing Condition

A condition, whether physical or mental, regardless of the cause of the condition, for which diagnosis, care or treatment was recommended or received within the 12-month period prior to the effective date of coverage.

A pre-existing is also defined as an illness or injury that exhibited signs or symptoms within 12 months prior to the effective date or coverage that would lead an ordinarily prudent person to seek medical advice, diagnosis or treatment.

Definition of Congenital Abnormality

A condition existing at birth which is outside the broad range of normal, such as cleft palate, birthmarks, webbed fingers or toes. Normal variations in size and shape of the organ, such as protruding ears, are not considered a congenital abnormality.

Types of Enrollment

- **Single Membership:** Provides coverage to you, the subscriber, only.
- **Single parent membership:** Provides coverage to you and your eligible children, but not to a spouse.
- **Family Membership:** Covers you, your spouse and eligible dependent children.

Eligible dependent children are defined as: The member's unmarried dependent children through 18 years of age, or through 23 years of age if full-time students attending an accredited educational institution. Coverage will continue for a full-time student during a medically necessary leave of absence, not to exceed one year, provided Blue Cross and Blue Shield of Nebraska receives written confirmation from the dependent's treating physician. Physically and mentally handicapped children may be eligible for continuous coverage after age 18 if application is made within 31 days of the child's 19th birthday.

Discounts

Premium Discount

A reduced premium rate is available if you do not currently use tobacco products and have not used tobacco products for a minimum of 12 months.

Vision Care Discount

When participating providers are used, you and your family members will receive a 10% discount off the cost of routine vision exams and a 17.5% discount off the retail price of frames, lenses and contacts. To obtain the discount, show the participating provider your Blue Cross and Blue Shield of Nebraska I.D. card. **Note: this is a discount program only; no claims are filed. Discount programs may be changed or terminated at any time without prior notification.**

Online Tools and Resources

Online Member Services

Our secure online member services portal is available 24 hours a day, seven days a week. When you register with online member services, you can check the status of a claim, view your Explanations of Benefits online, print or request I.D. cards, find a Network BLUE hospital and use interactive tools to help manage your family's health care needs and costs – whenever and wherever it's convenient for you.

Once your coverage becomes effective, you will be able to register to start using online member services. Within one to two business days of your initial online registration, you will receive a letter from us containing the unique access code you'll need to log in and start using online member services. If you have any questions about registration, just call the online member services Help Line at **1 (877) 704-2583**.

To learn more about online member services and register:
www.bcbsne.com

Registered online member services users have access to three interactive online tools: Healthcare Advisor, Treatment Cost Advisor and Coverage Advisor.

Healthcare AdvisorSM

Healthcare Advisor's treatment decision support tools help users better understand their options.

- Learn what to expect when diagnosed with an illness or before having surgery
- Get reliable cost estimates
- Determine which hospitals have met leading standards for patient safety

Treatment Cost AdvisorSM

The Treatment Cost Advisor tool helps you estimate medical costs before you receive care.

- Find cost information for many common medical conditions and health care services
- Get reliable cost estimates
- Find in- and out-of-network cost comparisons

Coverage AdvisorSM

Coverage Advisor helps you determine which health care services you are likely to need, and then estimates the annual cost of those services. Coverage Advisor helps you make informed benefit plan decisions.

- Estimate medical needs and costs
- Review any tax implications

My RxHealth

MyRxHealth, from Blue Cross and Blue Shield of Nebraska's pharmacy benefits manager, Prime Therapeutics, Inc., is loaded with valuable information and interactive tools that you can use to manage your family's prescription drug purchases.

At MyRxHealth, you can find benefit information and prescription drug information and resources.

To access the personalized information available via MyRxHealth, you must be a registered online member services user. Simply visit **www.bcbsne.com** and sign into our online member services portal. Select MyRxHealth and you will be automatically logged into the members-only area.

Questions about MyRxHealth or www.myrxhealth.com?
Call 1 (877) RXHELP4 or 1 (877) 794-3574.

BlueHealth Advantage Website

The lifestyle decisions people make – regarding diet, weight, exercise, smoking, seatbelt use and more – directly impact their health care costs.

BlueHealth Advantage, our wellness and lifestyle management website, can help you make positive lifestyle changes. BlueHealth Advantage offers:

- Educational health and wellness information
- Lifestyle management guides
- Personal health assessment tools

Check out all the valuable health and wellness resources available to you:

www.BlueHealthAdvantageNE.com

Blue Cross and Blue Shield of Nebraska
7261 Mercy Road
P.O. Box 3248
Omaha, NE 68180-0001

Customer Service:
Please call the Member Services number
on the back of your I.D. card

This outline of coverage for BlueEssentials HSA-Eligible Health Plans provides a brief description of the important features of your contract.

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Neither Blue Cross and Blue Shield of Nebraska nor its agents give tax advice. Consult your professional tax advisor.



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