

HSA BlueSM *The Focus is on You*



Blue Cross of Idaho's **HSA BlueSM** *Preferred Provider Organization*

The introduction of Health Savings Accounts (HSAs) has opened the door to a new world of health insurance. You have the opportunity to participate more actively in your health care spending decisions because the money in the account belongs to you and stays with you.

We have designed HSA BlueSM to meet the federal requirements of a high deductible health plan that is compatible with HSA legislation. The beauty of the HSA is that contributions roll over each year. Therefore, any money that you do not spend in a given year is held in an interest bearing, tax-deferred account.



financially wise

HSA Blue is a smart financial move, because when used in conjunction with an HSA account, you will enjoy tax-free IRA-like savings. The money you contribute to your HSA can be used to pay your deductible and out-of-pocket medical expenses. Any money left over will remain in your HSA account and grow tax-deferred. Withdrawals from your HSA for covered medical expenses will never be taxed, and contributions you make to your HSA, up to a specified limit (currently the lesser of your deductible or \$2,700 a year for individuals and \$5,450 a year for families for 2006), are tax-deductible at both the federal and state levels. These dollar amounts will be adjusted for inflation each year.

flexible coverage

HSA Blue is a Preferred Provider Organization health plan, and the choice of health care providers is yours. HSA Blue has both in-network and out-of-network benefits. To get the most in benefit payments, you should choose providers from our PPO contracting network. Our extensive provider network will ensure that you receive quality health care at affordable rates.

peace of mind

HSA Blue PPO will give you the protection you need to safeguard the health of your family by providing benefits for most inpatient and outpatient medical, surgical and preventive services, including office visits, hospital services, chiropractic care, therapy services, and prescription drugs.

Pregnancy services are not a covered benefit except as provided specifically for involuntary complications of pregnancy.



To find out how to enroll in HSA Blue, contact your insurance agent or your local Blue Cross of Idaho district office.

HSA Blue PPO

A high deductible health plan designed for use with a federally qualified Health Savings Account

	80/60 COINSURANCE		90/70 COINSURANCE		100% COINSURANCE	
Benefit Period Deductible	\$2,000 or \$3,000 Individual, \$4,000 or \$6,000 Family		\$2,000 or \$3,000 Individual, \$4,000 or \$6,000 Family		\$5,000 Individual, \$10,000 Family	
Out-of-Pocket Maximum (includes deductible, copayments and coinsurance)	\$4,000 or \$5,000 Individual, \$8,000 or \$10,000 Family		\$4,000 or \$5,000 Individual, \$8,000 or \$10,000 Family		\$5,000 Individual, \$10,000 Family	
Lifetime Maximum Benefit	\$1,000,000		\$1,000,000		\$1,000,000	
BENEFITS	In-Network ¹	Out-of-Network ²	In-Network ¹	Out-of-Network ²	In-Network ¹	Out-of-Network ²
Outpatient Services Office Visits – Professional Services and Supplies Professional Services at the hospital (i.e., physician visits, surgery and/or anesthesiology) Diagnostic Lab & X-Ray Outpatient Physical and Speech Therapy (limited to \$800 per insured, per benefit period, per therapy) Chemotherapy, Renal Dialysis, Radiation, Enterostomal, Growth Hormone, Home IV and Respiration Therapies Outpatient Surgery at an Ambulatory Surgical Facility	80% (after deductible)	60% (after deductible)	90% (after deductible)	70% (after deductible)	100% (after deductible)	
Chiropractic Services (limited to \$800 per person per benefit period)	80% (after deductible)	50% (after deductible)	90% (after deductible)	50% (after deductible)	100% (after deductible)	
Wellness/Preventive Services (Immunizations and office visits. Includes Pap, PSA, fecal occult blood, cholesterol panel, PKU and Rubella)	\$30 copay	No coverage (except for Pap)	\$30 copay	No coverage (except for Pap)	\$30 copay	No coverage (except for Pap)
Screening Mammography	\$30 copay	60% (after deductible)	\$30 copay	70% (after deductible)	\$30 copay	100% (after deductible)
Outpatient Alcoholism or Substance Abuse ³ Outpatient Mental Health ³ Outpatient Diabetes Education (limited to \$500 per insured per benefit period)	80% (after deductible)	No coverage	90% (after deductible)	No coverage	100% (after deductible)	No coverage
Hospital Services Inpatient Hospitalization (including room, board, nursing services, ancillary services and special services) Inpatient Surgery Outpatient Surgery at the hospital Skilled Nursing Facility (30 day limit per person per benefit period)	80% (after deductible)	60% (after deductible)	90% (after deductible)	70% (after deductible)	100% (after deductible)	
Inpatient Rehabilitation Inpatient Alcoholism or Substance Abuse ^{3, 4} Inpatient Mental Health ^{3, 4}	80% (after deductible)	No coverage	90% (after deductible)	No coverage	100% (after deductible)	No coverage
Other Services Emergency Room Services, Ambulance Services, Durable Medical Equipment, Prosthetics & Orthotics Home Health Skilled Nursing Services (limited to \$5,000 per person per benefit period)	80% (after deductible)	60% (after deductible)	90% (after deductible)	70% (after deductible)	100% (after deductible)	
Hospice Care (limited to \$10,000 lifetime per person)	100% (after deductible)	No coverage	100% (after deductible)	No coverage	100% (after deductible)	No coverage
Prescription Drugs (limited to \$1,200 per person per benefit period)	50% coinsurance after deductible		50% coinsurance after deductible		100% coinsurance after deductible	

(1) Members must utilize Blue Cross of Idaho's contracted PPO network to receive in-network coinsurance payment. Blue Cross of Idaho coinsurance payment is based on our pre-established maximum allowance.

(2) If an enrollee chooses a noncontracting in or out-of-state provider, they may also be responsible for any charges that exceed our pre-established maximum allowance.

(3) The combined maximum for Mental Health and Alcoholism or Substance Abuse is 20 visits per insured per benefit period. Visits include outpatient facility visits as well as inpatient and outpatient professional visits.

(4) The combined maximum for Mental Health and Alcoholism or Substance Abuse is 8 days per insured per benefit period for inpatient facility charges.

HSA Administrators

An HSA administrator can help you set up and manage a health savings account that will provide the greatest financial benefit to you. Please note that Blue Cross of Idaho is not an HSA administrator. Rather, we have created HSA Blue to meet the requirements of a federally qualified high deductible health plan. Our partner, Farmers and Merchants State Bank, can help you set up your account. If you have questions, please call them at 1-800-481-8736.



Your Plan Options

HSA Blue allows you to choose between two different plan options: an Individual Plan (coverage for only one member of a household) or a Family Plan (coverage for two or more members of a household).

Individual Plan: Your deductible under this plan option will consist of the first \$2,000, \$3,000 or \$5,000 in eligible covered services per benefit period. For the \$2,000 and \$3,000 options, once you have met your deductible and you have paid \$2,000 out-of-pocket, your benefits will be covered at 100% for the duration of the benefit period. For the \$5,000 option, once you have met your deductible, your benefits will be covered at 100% for the duration of the benefit period.

Family Plan: Your deductible under this plan option will consist of the aggregate of \$4,000, \$6,000 or \$10,000 in eligible covered services per benefit period for all members of your family covered under this plan, regardless of which individual, or combination of individuals, meets the deductible requirement. For the \$4,000 and \$6,000 options, once you have met the deductible and you have paid \$4,000 out-of-pocket, your benefits will be covered at 100% for the duration of the benefit period. For the \$10,000 option, once you have met your deductible, your benefits will be covered at 100% for the duration of the benefit period.

Should the Federal Government adjust the deductible or out-of-pocket limit for high deductible plans as defined by the Internal Revenue Service, the deductible and out-of-pocket limit will be adjusted accordingly.

Wellness and Preventive Services

Benefits for the following wellness and preventive health services are provided:

- Periodic health examination for children and adults
- Lab tests: Pap Smear, Fecal Occult Blood, Rubella, PKU, PSA, Cholesterol panel
- Immunizations: Influenza Virus, Hepatitis B, Hemophilus Influenza B (HIB), Varicella, Diphtheria/Tetanus/Pertussis (DTP), Measles/Mumps/Rubella (MMR), Poliovirus

Premium Guarantee

We guarantee your initial premium for 10, 11, or 12 months (depending on the month in which you enroll) for the benefits selected. Your premium may change if you change your benefits. Any new premium applies from the date benefit changes begin. An exception to the premium guarantee may be made if any state or federal law unexpectedly increases our administrative costs or claims liability. Each policy is subject to a premium adjustment at its renewal.

Renewable Coverage Guaranteed with Exceptions

No individual's coverage will be terminated because of claims utilization or any particular medical condition. Coverage may be terminated if any of the following circumstances exist:

- Nonpayment of the required premiums;
- Fraud or intentional misrepresentation of material fact with respect to enrolled individuals, or their representatives;
- BCI chooses not to renew all of its health benefit plans in Idaho;
- The individual no longer resides in the state of Idaho;
- No qualification for coverage under the Individual Health Insurance Availability Act.*

**For information regarding eligible individual, you may wish to contact your insurance agent or local Blue Cross of Idaho district office.*

Preview

All of our policies include Preview, which is designed to reduce the high cost of health care without sacrificing quality of treatment. Two main features of Preview are preadmission review and emergency admission review.

Preadmission Review

Prior to any planned hospital admission, you or your physician must notify BCI of your anticipated admission and treatment. Our preadmission review staff may confer with your physician about treatment alternatives. If there are alternatives to hospital admission, you and your physician will discuss them and determine if inpatient treatment is still appropriate.

Emergency Admission Review

Following an emergency hospital admission, you must notify Blue Cross of Idaho within 24 hours of receiving treatment unless the admission is on a weekend or legal holiday, or it is medically impossible to do so. Our admission review staff will consult with the attending physician or hospital utilization review staff to determine the appropriate length of stay for your type of condition, and to ensure that unnecessary hospital expenses are not incurred. The charges for your first night of hospital stay are always covered for an emergency admission.

Non-Hospitalization Preauthorization Requirements

Certain services require preauthorization and approval from BCI before services are rendered in order for insureds to be eligible to receive benefits. The applicable benefit sections of the policy identify some of the services that require preauthorization. Please check with your provider to determine if the treatment or service being considered requires preauthorization.

Preexisting Conditions and Waiting Periods * *

A preexisting condition is:

- A condition that would have caused an ordinarily prudent person to seek medical advice, diagnosis, care, or treatment during the six

months immediately preceding the effective date of coverage;

- A condition for which medical advice, diagnosis, care, or treatment was recommended or received during the six months immediately preceding the effective date of coverage; or
- A pregnancy existing on the effective date of coverage under this policy, and all related conditions, except for involuntary complications of pregnancy that originate after the effective date of coverage.

There are no benefits available under the policy for services, supplies, drugs, or other charges that are provided within 12 months after an enrollee's effective date for any preexisting condition.

Blue Cross of Idaho shall credit any qualifying previous coverage to the preexisting condition waiting period for new enrollees and dependents. This only applies if there was not more than a 63-day lapse in health coverage prior to the effective date of the new coverage.

*Determination of Eligibility***

Applicants to Blue Cross of Idaho for individual coverage must reside in Idaho and must meet the requirements of "eligible individual" as defined by state law.

Maximum Allowance

For covered services under the terms of this policy, maximum allowance is the lesser of the billed charge or the amount established as the highest level of compensation for a covered service. If the covered services are rendered outside the state of Idaho by a provider contracting with a Blue Cross and/or Blue Shield (BCBS) affiliate in the location of the covered services, the maximum allowance is the lesser of the billed charge or the amount established by the affiliate as compensation. If the covered services are rendered outside the state of Idaho by a provider not contracting with a BCBS affiliate in the location of the covered service, the maximum allowance is the lesser of the billed charge or the amount established by BCI as compensation for a covered service.

The maximum allowance is determined using many factors, including pre-negotiated payment amounts; diagnostic related groupings (DRGs); a resource based relative value scale (RBRVS); ambulatory payment classifications (APCs); the provider's charge(s); the charge(s) of providers with similar training and experience within a particular geographic area; Medicare reimbursement amounts; and/or the cost of rendering the covered service. Moreover, maximum allowance may differ depending on whether the provider is contracting or noncontracting.

In addition, maximum allowance for covered services provided by contracting or noncontracting dentists is determined using many factors, including pre-negotiated payment amounts, a calculation of charges submitted by contracting Idaho dentists, and/or a calculation of the average charges submitted by all Idaho dentists.

Disclosure of Premium Practices and Guarantees

Your premium is determined by two factors – case characteristics and health status. The case characteristics of your policy include the benefits you selected, your geographic location, and the age and gender of the individuals covered on your policy. These case characteristics determine

** For information regarding "eligible individual" or "preexisting condition" provisions, you may wish to contact your insurance agent or local Blue Cross of Idaho district office.

your index rate, which is the same for all individuals with the same case characteristics.

The index rate is then adjusted for the health status of the individuals covered on your policy. Health status may cause the premiums to be set anywhere from 50% above to 50% below the index rate.

In addition to an index rate change, no more than a 15% premium increase will be given each year due to changes in health status. The remaining portion of any premium increase is due to changes in case characteristics or general health care trends.

Exclusions & Limitations

There are no benefits for services, supplies, drugs, or other charges that are:

- Not specifically listed as a covered service.
- Not medically necessary.
- In excess of the maximum allowance.
- For hospital inpatient or outpatient care for extraction of teeth or other dental procedures, unless necessary to treat an accidental injury or unless an attending physician certifies in writing that the insured has a non-dental, life-endangering condition which makes hospitalization necessary to safeguard the insured's health and life.
- Not prescribed by or upon the direction of a physician or other professional provider; or which are furnished by any individuals or facilities other than licensed general hospitals, physicians, and other providers.
- Experimental and/or investigational in nature.
- Provided for any condition, disease, illness or accidental injury to the extent that the insured is entitled to benefits under occupational coverage, obtained or provided by or through the employer under state or federal Workers' Compensation Acts or under Employer Liability Acts or other laws providing compensation for work-related injuries or conditions. This exclusion applies whether or not the insured claims such benefits or compensation or recovers losses from a third party.
- Provided or paid for by any federal governmental entity or unit except when payment under this policy is expressly required by federal law, or provided or paid for by any state or local governmental entity or unit where its charges therefore would vary, or are or would be affected by the existence of coverage under this policy, or for which payment has been made under Medicare Part A and/or Medicare Part B, or would have been made if an insured had applied for such payment except when payment under this policy is expressly required by federal law.
- Provided for any condition, accidental injury, disease or illness suffered as a result of any act of war or any war, declared or undeclared.
- Furnished by a provider who is related to the insured by blood or marriage and who ordinarily dwells in the insured's household.
- Received from a dental, vision, or medical department maintained by or on behalf of an employer, a mutual benefit association, labor union, trust or similar person or group.
- For surgery intended mainly to improve appearance or for complications arising from surgery intended mainly to improve appearance, except for:
 - Reconstructive surgery necessary to treat an accidental injury, infection or other disease of the involved part; or



- Reconstructive surgery to correct congenital anomalies in an insured who is a dependent child.
- Rendered prior to an insured's effective date; or during an inpatient admission commencing prior to the insured's effective date, subject to the requirements of the Health Insurance Portability and Accountability Act of 1996.
- For personal hygiene, comfort, beautification, or convenience items or services even if prescribed by a physician, including but not limited to, air conditioners, air purifiers, humidifiers, physical fitness equipment or programs, spas, massage therapy, hot tubs, whirlpool baths, waterbeds or swimming pools and therapies, including but not limited to, educational, recreational, art, aroma, dance, sex, sleep, electro sleep, vitamin, chelation, massage, or music.
- For telephone consultations, and all computer or Internet communications; for failure to keep a scheduled visit or appointment; for completion of a claim form; or for personal mileage, transportation, food or lodging expenses or for mileage, transportation, food or lodging expenses billed by a physician or other professional provider.
- For inpatient admissions that are primarily for diagnostic services, therapy services, or physical rehabilitation, except as specifically provided in this policy; or for inpatient admissions when the insured is ambulatory and/or confined primarily for bed rest, a special diet, behavioral problems, environmental change or for treatment not requiring continuous bed care.
- For outpatient occupational therapy, or inpatient or outpatient custodial care; or for inpatient or outpatient services consisting mainly of educational therapy, behavior modification, self-care or self-help training, except as specified as a covered service in this policy.
- For any cosmetic foot care, including but not limited to, treatment of corns, calluses, and toenails (except for surgical care of ingrown or diseased toenails).
- Related to dentistry or dental treatment, even if medically necessary, including but not limited to, dental implants, appliances, or prosthetics, or treatment related to orthodontia and orthognathic surgery and any surgical or other treatment of temporomandibular joint syndrome, unless specified as a covered service in this policy.
- For hearing aids or examinations for the prescription or fitting of hearing aids.
- For orthoptics, eyeglasses or contact lenses or the vision examination for prescribing or fitting eyeglasses or contact lenses, unless specifically provided as a covered service in this policy.
- For any treatment of either gender leading to or in connection with transsexual surgery, gender transformation, sexual dysfunction, or sexual inadequacy, including erectile dysfunction and/or impotence, even if related to a medical condition.
- Made by a licensed general hospital for the insured's failure to vacate a room on or before the licensed general hospital's established discharge hour.
- Not directly related to the care and treatment of an actual condition, illness, disease or accidental injury.
- Furnished by a facility that is primarily a place for treatment of the aged or that is primarily a nursing home, a convalescent home, or a rest home.
- For acute care, rehabilitative care or diagnostic testing or evaluation of mental or nervous conditions, alcoholism, substance abuse or addiction, or for pain rehabilitation, except as specified as a covered service in this policy.

- Incurred by an enrolled eligible dependent child for care or treatment of any condition arising from or related to pregnancy, childbirth, delivery or an involuntary complication of pregnancy, unless specified as a covered service in this policy.
- For weight control or treatment of obesity or morbid obesity, including but not limited to surgery for obesity, except when surgery for obesity is medically necessary to control other medical conditions that are eligible for covered services under this policy, and nonsurgical methods have been unsuccessful in treating the obesity. For reversals or revisions of surgery for obesity, except when required to correct an immediately life-endangering condition.
- For an elective abortion, surgical or medical, or complications from an elective abortion.
- For use of operating, cast, examination, or treatment rooms or for equipment located in a contracting or noncontracting provider's office or facility, except for emergency room facility charges in a licensed general hospital, unless specified as a covered service in this policy.
- For the reversal of sterilization procedures, including but not limited to, vasovasostomies or salpingoplasties.
- Treatment for infertility and fertilization procedures, including but not limited to, ovulation induction procedures and pharmaceuticals, artificial insemination, in vitro fertilization, embryo transfer or similar procedures, or procedures that in any way augment or enhance an insured's reproductive ability.
- For transplant services and artificial organs, except as specified as a covered service under this policy.
- For acupuncture.
- For chiropractic care, except as specifically provided as a covered service in this policy.
- For surgical procedures that alter the refractive character of the eye, including but not limited to, radial keratotomy, myopic keratomileusis, Laser-In-Situ Keratomileusis (lasik), and other surgical procedures of the refractive-keratoplasty type, to cure or reduce myopia or astigmatism, even if medically necessary. Additionally, reversals, revisions, and/or complications of such surgical procedures are excluded, except when required to correct an immediately life-endangering condition.
- For hospice home care, except as specified as a covered service in this policy.
- For pastoral, spiritual, and bereavement counseling.
- For homemaker and housekeeping services or home-delivered meals.
- For the treatment of injuries sustained while committing a felony, voluntarily taking part in a riot, or while engaging in an illegal act or occupation.
- For treatment or other health care of any insured in connection with an illness, disease, accidental injury or other condition which would otherwise entitle the insured to covered services under this policy, if and to the extent those benefits are payable to or due the insured under any medical payments provision, no fault provision, uninsured motorist provision, underinsured motorist provision, or other first party or no fault provision of any automobile, homeowner's, or other similar policy of insurance, contract, or underwriting plan.

In the event BCI for any reason makes payment for or otherwise provides benefits excluded by the above provisions, it shall succeed to the rights of payment or reimbursement of the compensated provider, the insured, and the insured's heirs and personal representative against all insurers, underwriters, self-insurers or other such obligors contractually liable or

obliged to the insured, or his or her estate for such services, supplies, drugs or other charges so provided by BCI in connection with such illness, disease, accidental injury or other condition.

- Any services or supplies for which an insured would have no legal obligation to pay in the absence of coverage under this policy or any similar coverage; or for which no charge or a different charge is usually made in the absence of insurance coverage.
- For a routine or periodic mental or physical examination that is not connected with the care and treatment of an actual illness, disease or accidental injury or for an examination required on account of employment; or related to an occupational injury; for a marriage license; or for insurance, school or camp application; or a screening examination, except as specified as a covered service in this policy.
- For immunizations, except as specified as a covered service in this policy.
- For breast reduction surgery or surgery for gynecomastia.
- For nutritional supplements, nutritional replacements, nutritional formulas, prescription vitamins and minerals.
- For alterations or modifications to a home or vehicle.
- For special clothing, including shoes (unless permanently attached to a brace).
- Provided to a person enrolled as an eligible dependent, but who no longer qualifies as an eligible dependent due to a change in eligibility status that occurred after enrollment.
- Provided outside the United States, which if had been provided in the United States, would not be a covered service under this policy.
- Furnished by a provider or caregiver that is not listed as a covered provider, including but not limited to, naturopaths.
- For outpatient self-help programs related to pulmonary and/or cardiac rehabilitation.
- For complications arising from the acceptance or utilization of noncovered services.
- For the use of hypnosis, as anesthesia or other treatment, except as specified as a covered service.
- For arch supports, orthopedic shoes, and other foot devices.
- Any services or supplies furnished by a facility that is primarily a health resort, sanatorium, residential treatment facility, transitional living center, or primarily a place for outpatient treatment or residential facility care of mental or nervous conditions.
- Contraceptives, oral or other, whether medication or device, except as specified as a covered service.
- Incurred by the insured for the care or treatment of any conditions arising from or related to pregnancy, childbirth, or delivery, except as provided specifically in this policy for involuntary complications of pregnancy.

This brochure is a brief overview describing the general features and benefits of Blue Cross of Idaho's individual HSA Blue PPO health care coverage policy. This is not a contract. All of the provisions, exclusions, and limitations stated in the policy apply.*

If you have any questions regarding your health care coverage, or if you would like to see a copy of the policy, please contact your insurance agent or your local Blue Cross of Idaho district office.

* A Major Medical Benefit Program