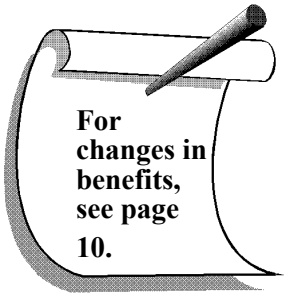
Independent Health

http://www.independenthealth.com

2009

Health Maintenance Organization (High Option) with a point of service product and a high deductible health plan option (iDirect)

Serving: *Western New York*



Enrollment in this plan is limited. You must live or work in our Geographic service area to enroll. See page 9 for requirements.

This Plan has Excellent Accreditation from the National Committee for Quality Assurance (NCQA). See the 2009 Guide for more information on accreditation

Enrollment codes for this Plan:

QA1 HMO Self Only
QA2 HMO Self and Family
QA4 HDHP Self Only
QA5 HDHP Self and Family

Authorized for distribution by the:

United States
Office of Personnel Management

Center for
Retirement and Insurance Services
http://www.opm.gov/insure

Important Notice from Independent Health About

Our Prescription Drug Coverage and Medicare

OPM has determined that Independent Health's prescription drug coverage is, on average, expected to pay out as much as the standard Medicare prescription drug coverage will pay for all plan participants and is considered Creditable Coverage. Thus you do not need to enroll in Medicare Part D and pay extra for prescription drug benefit coverage. If you decide to enroll in Medicare Part D later, you will not have to pay a penalty for late enrollment as long as you keep your FEHB coverage.

However, if you choose to enroll in Medicare Part D, you can keep your FEHB coverage and your FEHB plan will coordinate benefits with Medicare.

Remember: If you are an annuitant and you cancel your FEHB coverage, you may not re-enroll in the FEHB Program.

Please be advised

If you lose or drop your FEHB coverage and go 63 days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium will go up at least 1% per month for every month that you did not have that coverage. For example, if you go 19 months without Medicare Part D prescription drug coverage, your premium will always be at least 19 percent higher than what many other people pay. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the next Annual Coordinated Election Period (November 15th through December 31st) to enroll in Medicare Part D.

Medicare's Low Income Benefits

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. Information regarding this program is available through the Social Security Administration (SSA) online at www.socialsecurity.gov, or call the SSA at 1-800-772-1213 (TTY 1-800-325-0778).

You can get more information about Medicare prescription drug plans and the coverage offered in your area from these places:

- Visit www.medicare.gov for personalized help,
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

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Introduction

This brochure describes the benefits of Independent Health under our contract (CS 1933) with the United States Office of Personnel Management, as authorized by the Federal Employees Health Benefits law. The address for Independent Health's administrative offices is:

Independent Health

511 Farber Lakes Drive

Buffalo, NY 14221

This brochure is the official statement of benefits. No oral statement can modify or otherwise affect the benefits, limitations, and exclusions of this brochure. It is your responsibility to be informed about your health benefits.

If you are enrolled in this Plan, you are entitled to the benefits described in this brochure. If you are enrolled in Self and Family coverage, each eligible family member is also entitled to these benefits. You do not have a right to benefits that were available before January 1, 2009, unless those benefits are also shown in this brochure.

OPM negotiates benefits and rates with each plan annually. Benefit changes are effective January 1, 2009, and changes are summarized on page 10. Rates are shown at the end of this brochure.

Plain Language

All FEHB brochures are written in plain language to make them responsive, accessible, and understandable to the public. For instance,

- Except for necessary technical terms, we use common words. For instance, "you" means the enrollee or family member, "we" means Independent Health Association, Inc. or Independent Health Benefits Corporation (collectively referred to as Independent Health).
- We limit acronyms to ones you know. FEHB is the Federal Employees Health Benefits Program. OPM is the United States Office of Personnel Management. If we use others, we tell you what they mean first.
- Our brochure and other FEHB plans' brochures have the same format and similar descriptions to help you compare plans.

If you have comments or suggestions about how to improve the structure of this brochure, let OPM know. Visit OPM's "Rate Us" feedback area at www.opm.gov/insure or e-mail OPM at fehbwebcomments@opm.gov. You may also write to OPM at the U.S. Office of Personnel Management, Insurance Services Programs, Program Planning & Evaluation Group, 1900 E Street, NW, Washington, DC 20415-3650.

Stop Health Care Fraud!

Fraud increases the cost of health care for everyone and increases your Federal Employees Health Benefits Program premium. OPM's Office of the Inspector General investigates all allegations of fraud, waste, and abuse in the FEHB Program regardless of the agency that employs you or from which you retired.

Protect Yourself From Fraud – Here are some things that you can do to prevent fraud:

- Do not give your plan identification (ID) number over the telephone or to people you do not know, except for your health care providers, authorized health benefits plan, or OPM representative.
- Let only the appropriate medical professionals review your medical record or recommend services.
- Avoid using health care providers who say that an item or service is not usually covered, but they know how to bill us to get it paid.
- Carefully review explanations of benefits (EOBs) statements that you receive from us.
- Do not ask your doctor to make false entries on certificates, bills or records in order to get us to pay for an item or service.

- If you suspect that a provider has charged you for services you did not receive, billed you twice for the same service, or misrepresented any information, do the following:

  Call the provider and ask for an explanation. There may be an error.

  If the provider does not resolve the matter, call us at (716) 631-8701 or 1-800-501-3439 and explain the situation.

  If we do not resolve the issue:

CALL --THE HEALTH CARE FRAUD HOTLINE

202-418-3300

OR WRITE TO:

United States Office of Personnel Management

Office of the Inspector General Fraud Hotline

1900 E Street NW Room 6400

Washington, DC 20415-1100

- Do not maintain as a family member on your policy:
  - Your former spouse after a divorce decree or annulment is final (even if a court order stipulates otherwise); or
  - Your child over age 22 (unless he/she is disabled and incapable of self support).
- If you have any questions about the eligibility of a dependent, check with your personnel office if you are employed, with your retirement office (such as OPM) if you are retired, or with the National Finance Center if you are enrolled under Temporary Continuation of Coverage.
- You can be prosecuted for fraud and your agency may take action against you if you falsify a claim to obtain FEHB benefits or try to obtain services for someone who is not an eligible family member or who is no longer enrolled in the Plan.

Preventing medical mistakes

An influential report from the Institute of Medicine estimates that up to 98,000 Americans die every year from medical mistakes in hospitals alone. That's about 3,230 preventable deaths in the FEHB Program a year. While death is the most tragic outcome, medical mistakes cause other problems such as permanent disabilities, extended hospital stays, longer recoveries, and even additional treatments. By asking questions, learning more and understanding your risks, you can improve the safety of your own health care, and that of your family members. Take these simple steps:

1. Ask questions if you have doubts or concerns.

- Ask questions and make sure you understand the answers.
- Choose a doctor with whom you feel comfortable talking.
- Take a relative or friend with you to help you ask questions and understand answers.

2. Keep and bring a list of all the medicines you take.

- Bring the actual medicines or give your doctor and pharmacist a list of all the medicines that you take, including non-prescription (over-the-counter) medicines.
- Tell them about any drug allergies you have.
- Ask about any risks or side effects of the medication and what to avoid while taking it. Be sure to write down what your doctor or pharmacist says.

- Make sure your medicine is what the doctor ordered. Ask your pharmacist about the medication if it looks different than you expected.
- Read the label and patient package insert when you get your medicine, including all warnings and instructions.
- Know how to use your medicine. Especially note the times and conditions when your medicine should and should not be taken.
- Contact your doctor or pharmacist if you have any questions.

3. Get the results of any test or procedure.

- Ask when and how you will get the results of tests or procedures.
- Don't assume the results are fine if you do not get them when expected, be it in person, by phone, or by mail.
- Call your doctor and ask for your results.
- Ask what the results mean for your care.

4. Talk to your doctor about which hospital is best for your health needs.

- Ask your doctor about which hospital has the best care and results for your condition if you have more than one hospital to choose from to get the health care you need.
- Be sure you understand the instructions you get about follow-up care when you leave the hospital.

5. Make sure you understand what will happen if you need surgery.

- Make sure you, your doctor, and your surgeon all agree on exactly what will be done during the operation.
- Ask your doctor, "Who will manage my care when I am in the hospital?"
- Ask your surgeon:
  - Exactly what will you be doing?
  - About how long will it take?
  - What will happen after surgery?
  - How can I expect to feel during recovery?
- Tell the surgeon, anesthesiologist, and nurses about any allergies, bad reactions to anesthesia, and any medications you are taking.

Visit these Web sites for more information about patient safety.

www.ahrq.gov/path/beactive.htm. The Agency for Healthcare Research and Quality makes available a wide-ranging list of topics not only to inform consumers about patient safety but to help choose quality health care providers and improve the quality of care you receive.

www.npsf.org. The National Patient Safety Foundation has information on how to ensure safer health care for you and your family.

www.talkaboutrx.org. The National Council on Patient Information and Education is dedicated to improving communication about the safe, appropriate use of medicines.

www.leapfroggroup.org. The Leapfrog Group is active in promoting safe practices in hospital care.

www.ahqa.org. The American Health Quality Association represents organizations and health care professionals working to improve patient safety.

www.quic.gov/report. Find out what federal agencies are doing to identify threats to patient safety and help prevent mistakes in the nation's health care delivery system.

Section 1. Facts about Independent Health

We offer two types of coverage. You may enroll in our Health Maintenance Organization (HMO) coverage with a Point of Service (POS) or you may enroll in our High Deductible Health Plan (iDirect) with health savings account/health reimbursement arrangement.

General features of our HMO with POS Plan

The enrollment codes for our HMO with POS coverage are QA1 (Self Only) and QA2 (Self and Family). For the highest level of coverage (In-network benefits), we require you to see specific physicians, hospitals, and other providers that contract with us. These Plan providers coordinate your health care services. Independent Health is solely responsible for the selection of these providers in your area. Contact us for a copy of our most recent provider directory.

HMO coverage emphasizes preventive care such as routine office visits, physical exams, well-baby care, and immunizations, in addition to treatment for illness and injury. Our providers follow generally accepted medical practice when prescribing any course of treatment.

When you receive services from Plan providers, you will not have to submit claim forms or pay bills. You pay only the copayments, coinsurance, and deductibles described in this brochure. When you receive emergency services from non-Plan providers, you may have to submit claim forms.

Your decision to join an HMO should be because you prefer the plan's benefits, not because a particular provider is available. You cannot change plans because a provider leaves our Plan. We cannot guarantee that any one physician, hospital, or other provider will be available and/or remain under contract with us.

We have Point of Service (POS) benefits

Our HMO offers POS benefits. Out-of-network benefits have higher out-of-pocket costs than in-network benefits. For more information regarding this benefit, see HMO Benefits Section 5(i) Point of Service Benefits.

How we pay providers

We contract with individual physicians, other health care providers, medical groups, and hospitals to provide the benefits in this brochure. These Plan providers accept a negotiated payment from us, and you will only be responsible for your copayments or coinsurance.

Under our POS, you will be subject to an annual deductible and coinsurance. You will owe all balances for covered services in excess of our allowable charge. For more information regarding this benefit, see HMO Benefits Section 5(i) Point of Service Benefits.

General features of our High Deductible Health Plan (HDHP)

The enrollment codes for our HDHP are QA4 (Self Only) and QA5 (Self and Family). We call our HDHP coverage, iDirect. Our HDHP is a consumer driven health plan that combines a preferred provider organization (PPO) health plan with separate medical and dental funds that help you pay for covered medical and dental expenses. This health plan product combines HDHP health care coverage with a tax-advantaged program to help you build savings for future medical needs. You may seek covered services from the iDirect network of participating providers or you may use non-participating or out-of-network providers.

Preventive care services

You have access to preventive care services within the Independent Health network (at a lower cost to you) or out-of-network (at a higher cost to you). In-network preventive care services are not subject to the annual deductible. Generally, you will only owe your office visit copay or 20% coinsurance for in-network preventive care services. Out-of-network preventive care services are subject to the annual deductible and higher coinsurance (40% of the allowable charges). Please refer to HDHP Section 5 Preventive Care for the list of covered preventive care services.

Annual deductible

The annual deductible must be met before Plan benefits, other than in-network preventive care services, are paid for. The Annual Deductible is $2,000 under Self Only (QA4) and $4,000 under Self and Family (QA5).

HDHP Funds

Two different funds are available to offset out-of-pocket medical costs under the HDHP Plan – a Health Savings Account (HSA) or a Health Reimbursement Account (HRA). The Plan will contribute funds once you have verified your HSA/HRA eligibility. Forms will be provided to you to complete for this verification and must be returned to us for contributions to begin.

Annual Self-only (pass-through) contribution: **$797**

Annual Family fund (pass-through) contribution: **$2,000**

You may use the money in your HSA or HRA to pay all or a portion of the annual deductible, copayments, coinsurance, or other out-of-pocket costs that meet the IRS definition of a qualified medical expense.

Health Savings Account (HSA)

You are eligible for an HSA if you are enrolled in an HDHP, not covered by any other health plan that is not an HDHP (including a spouse's health plan, but does not include specific injury insurance and accident, disability, dental care, vision care, or long-term coverage), not enrolled in Medicare, not have received VA benefits within the last three months, not covered by your own or your spouse's flexixble spending account (FSA), and are not claimed as a dependent on someone else's tax return.

- You may use the money in your HSA to pay all or a portion of the annual deductible, copayments, coinsurance, or other out-of-pocket costs that meet the IRS definition of a qualified medical expense.
- Distributions from your HSA are tax-free for qualified medical expenses for you, your spouse, and your dependents, even if they are not covered by a HDHP.
- You may withdraw money from your HSA for items other than qualified medical expenses, but it will be subject to income tax and, if you are under 65 years old, an additional 10% penalty tax on the amount withdrawn.
- For each month that you are enrolled in an HDHP and eligible for an HSA, the HDHP will contribute $66.41 for Self Only enrollment or $166.66 for Self and Family enrollment to your HSA. In addition, you (the account holder) may contribute your own money to your HSA up to an allowable amount determined by IRS rules. In addition, your HSA dollars earn tax-free interest.
- You may allow the contributions in your HSA to grow over time, like a savings account. The HSA is portable – you may take the HSA with you if you leave the Federal government or switch to another plan.

Health Reimbursement Arrangement (HRA)

If you are not eligible for an HSA, or become ineligible to continue an HSA, you are eligible for a Health Reimbursement Arrangement (HRA).

- For each month that you are enrolled in an HDHP and eligible for an HRA, the HDHP will contribute $66.41 for Self Only enrollment or $166.66 for a Self and Family enrollment to your HRA.
- Distributions from your HRA are tax-free for qualified medical expenses for you, your spouse, and your dependents covered by your HDHP. You may not withdraw credits from your HRA for items other than qualified medical expenses.
- Unused credits carry over year to year as long as you remain in our iDirect HDHP.

Although an HRA is similar to an HSA, there are major differences.

- An HRA does not earn interest.
- An HRA is not portable if you leave the Federal government or switch to another plan.

Catastrophic protection

We protect you against catastrophic out-of-pocket expenses for covered services. Your annual out-of-pocket expenses for covered services, including deductibles, copayments and coinsurance, cannot exceed $5,000 for Self Only enrollment, or $10,000 family coverage.

The type and extent of covered services, and the amount we allow, may be different from other plans. Read our brochure carefully to understand the benefits and features of this HDHP. Internal Revenue Service (IRS) rules govern the administration of all HDHPs. The IRS Website at http://www.ustreas.gov/offices/public-affairs/hsa/faq1.html has additional information about HDHPs.

Health education resources and accounts management tools

Key additional features of iDirect are the tools we provide to help you manage your health, monitor your claims and manage your money. Our decision support programs provide the information you need to take greater control of your healthcare cost management.

The Health Management programs include:

- health risk appraisal
- health wellness programs
- healthcare options and alternatives
- health coaching
- in-depth health information and advice
- the latest news from Independent Health that impacts your health
- calculators to measure personal statistics
- tools to help manage your costs for medical and pharmacy
- online fund management tools
- information on network providers
- information on hospital quality
- information on approximate cost of specific health care services in your area

Independent Health's Health Management programs help our members "round-the-clock" with action steps, exercise and meal plans, and tracking of key signs and symptoms. Our personal health record acts as an online repository for your health and medical information. The personal health record helps you manage your family medical records online and keep them available for access 24 hours a day, 7 days a week:

An HDHP with an HSA or HRA is designed to give greater flexibility and discretion over how you use your health care benefits. You decide how to utilize your plan coverage and you decide how to spend the dollars in your HSA or HRA.

Your rights

OPM requires that all FEHB Plans provide certain information to their FEHB members. You may get information about us, our networks, our providers and our facilities. OPM's FEHB Web site (www.opm.gov/insure) lists the specific types of information that we must make available to you. Some of the required information is listed below.

- We are licensed under Article 43 and Article 44 of the New York State Insurance Law and in compliance with all applicable state and Federal laws.
- We have been in existence since February 1980.
- Independent Health is a not-for-profit Health Maintenance Organization.
- We have "Excellent" accreditation from the National Committee for Quality Assurance (NCQA).

If you would like more information, call the Western New York Marketing Department at (716) 631-5392 or 1-800-453-1910, or write to Independent Health, Marketing Department, 511 Farber Lakes Drive, Buffalo, NY 14221. You may also contact us by fax at (716) 631-8554 or visit our website at www.independenthealth.com.

Service Area

To enroll in this Plan, you must live in or work in our Service Area. This is where our providers practice. Our service area includes the following counties: Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans and Wyoming.

Under the HMO benefits, you must get your care from providers who contract with us. If you or a covered family member moves outside our service area, you can enroll in another plan. You do not have to wait until Open Season to change plans. Contact your employing or retirement office. If you receive care outside our service area, we will pay only for emergency or urgent care benefits, as described on page 37. We will not pay for any other health care services out of our service area unless it is an emergency or urgent care service.

Under the POS benefits you may receive care from a non-Plan provider and we will provide benefits for covered services as described in Section 5(i).

Under the HDHP benefit you may receive care from Plan and non-Plan providers as described in Section 5 HDHP. If you or a covered family member moves outside our service area, you can enroll in another plan. You do not have to wait until Open Season to change plans. Contact your employing or retirement office.

Section 2. How we change for 2009

Do not rely only on these change descriptions; this Section is not an official statement of benefits. For that, go to Section 5 Benefits. Also, we edited and clarified language throughout the brochure; any language change not shown here is a clarification that does not change benefits.

Changes to HMO and POS coverage

- Your share of the non-Postal premium for HMO with POS coverage will increase for Self Only or for Self and Family.
- All Office Visit copays are now $20. Previously, they were $15.
- Your Inpatient Hospital copay has increased from nothing to $250 with a limit of copay per single and 2 copays per family. Please see Section 5(c) for information.
- Referrals to participating specialists for covered services are no longer required.
- You can now obtain a 90-day supply of maintenance medications through a participating mail order pharmacy at a cost of three copays. Please see section 5(f) for information.

Changes to our High Deductible Health Plan

- Your share of the non-Postal premium will increase for Self Only or for Self and Family.
- You can now obtain a 90-day supply of maintenance medications through a participating mail order phrmacy at a cost of three copays. Please see section 5(f) for information.

Section 3. How you get care

Identification cards

We will send you an identification (ID) card when you enroll. You should carry your ID card with you at all times. You must show it whenever you receive services from a Plan provider, or fill a prescription at a Plan pharmacy. Until you receive your ID card, use your copy of the Health Benefits Election Form, SF-2809, your health benefits enrollment confirmation letter (for annuitants), or your electronic enrollment system (such as Employee Express) confirmation letter.

If you do not receive your ID card within 30 days after the effective date of your enrollment, or if you need replacement cards, call our Member Services Department at (716) 631-8701 or 1-800-501-3439, or visit our website at www.independenthealth.com.

Where you get covered care

You get care from "Plan providers" and "Plan facilities" and you will not have to file a claim. If you enroll in the HMO and use the POS program or enroll in the HDHP program, you can also get care from non-Plan providers but it will cost you more.

- **Plan providers**

Plan providers are physicians and other health care professionals in our service area that we contract with to provide covered services to our members. We credential Plan providers according to national standards.

We list Plan providers in the provider directory, which we update periodically. The list is also on our Web site.

- **Plan facilities**

Plan facilities are hospitals and other facilities in our service area that we contract with to provide covered services to our members. We list these in the provider directory, which we update periodically. The list is also on our Web site.

What you must do to get covered care

It depends on the type of plan you enroll in. Our provider directory lists primary care and specialty care physicians with their locations and phone numbers. We update the directories on a regular basis. We send you a directory when you enroll. You may also request one by calling our Member Services Department at (716) 631-8701 or 1-800-501-3439. You may also access our website at www.independenthealth.com for our provider listing.

- **Primary care**

HMO-Your primary care physician can be any primary designated by the Plan to be a primary care physician. Your primary care physician is responsible for coordinating all of your health care as well as helping you maintain good health through preventive care.

If you want to change primary care physicians or if your primary care physician leaves the Plan, call us. We will help you select a new one.

HDHP-Although we encourage members to select a primary care physician, the HDHP plan does not require you to notify us of your choice.

- **Specialty care**

HMO and HDHP - Independent Health offers a wide choice of participating specialists. Your primary care physician will determine when you need to see a specialist. However, you do not need to get an Independent Health referral. All you need to do is contact the specialists office to schedule an appointment.

If you have started treatment with a specialist and wish to change to another specialist, you should contact your primary care physician to keep him or her aware of this change in medical care.

Here are some other things you should know about specialty care:

- If you need to see a specialist frequently because of a chronic, complex, or serious medical condition, your primary care physician will develop a treatment plan and recommend a specialist. Your primary care physician will use our criteria when creating your treatment plan (the physician may have to get our authorization or approval beforehand).

- If you are seeing a specialist when you enroll in our Plan, talk to your primary care physician. Your primary care physician will decide what treatment you need. If he or she recommends that you see a specialist, ask if you can see your current specialist. If your current specialist does not participate with us, you may use your POS benefit.
- If you are seeing a specialist and your specialist leaves the Plan, call your primary care physician, who will arrange for you to see another specialist. You may receive services from your current specialist until we can make arrangements for you to see someone else.
- If you have a chronic and disabling condition and lose access to your specialist because we:
  - Terminate our contract with your specialist for other than cause; or
  - Drop out of the Federal Employees Health Benefits (FEHB) Program and you enroll in another FEHB program Plan; or
  - Reduce our service area and you enroll in another FEHB Plan,

you may be able to continue seeing your specialist for up to 90 days after you receive notice of the change. Contact us, or if we drop out of the Program, contact your new plan.

If you are in the second or third trimester of pregnancy and you lose access to your specialist based on the above circumstances, you can continue to see your specialist until the end of your postpartum care, even if it is beyond the 90 days.

- **Hospital care**

HMO - Your Plan primary care physician or specialist will make necessary hospital arrangements and supervise your care. This includes admission to a skilled nursing or other type of facility.

HDHP-Your physician will make necessary hospital arrangements and supervise your care. This includes admission to a skilled nursing or other type of facility. It is your responsibility to precertify any inpatient admissions except for maternity admissions.

- **If you are hospitalized when your enrollment begins**

We pay for covered services from the effective date of your enrollment. However, if you are in the hospital when your enrollment in our Plan begins, call our Member Services Department immediately at (716) 631-8701, or 1-800-501-3439. If you are new to the FEHB Program, we will arrange for you to receive care and provide benefits for your covered services while you are in the hospital beginning on the effective date of your coverage.

If you changed from another FEHB plan to us, your former plan will pay for the hospital stay until:

- You are discharged, not merely moved to an alternative care center; or
- The day your benefits from your former plan run out; or
- The 92nd day after you become a member of this Plan, whichever happens first.

These provisions apply only to the benefits of the hospitalized person. If your plan terminates participation in the FEHB Program in whole or in part, or if OPM orders an enrollment change, this continuation of coverage provision does not apply. In such cases, the hospitalized family member's benefits under the new plan begin on the effective date of enrollment.

How to get approval for…

- **Your hospital stay**

Under the POS and HDHP benefits, you must obtain precertification from us for all inpatient services (except maternity admissions) that you receive from a facility. Your physician will make necessary hospital arrangements and supervise your care. You must contact our Member Services Department at (716) 631-8701 or 1-800-501-3439 to obtain precertification from us before the service is rendered.

- **How to precertify an admission**

Under the POS and HDHP benefits, you must obtain precertification from us for all inpatient admissions (except maternity admissions). You must contact our Member Services Department at (716) 631-8701 or 1-800-501-3439 with your physician's name, address and telephone number.

- **What happens when you do not follow the precertification rules when using non-network facilities**

Under the POS and HDHP benefits, you are ultimately responsible for requesting precertification from us for certain covered services. Failure to obtain precertification will result in a drastic reduction of benefits or a complete denial of coverage. When you do not obtain precertification for a covered service that requires it, we will reduce our allowance by 50% before calculating our payment. Under POS and HDHP, we base our allowance on the lesser of the provider's or facility's charges, the negotiated rate, or the usual, customary and reasonable (UCR) charge at the 90th percentile. The additional 50% that you must pay is a penalty. It is not reduced by the POS or HDHP coinsurance, out-of-pocket maximum, or annual deductible. You must pay the balance after our payment up to the facility's charges.

After receiving your request for precertification, our Medical Director will make the determination as to whether a service is medically necessary within three (3) business days from the date we receive the precertification request and all necessary documentation for review. We strongly recommend that you contact us to confirm whether or not a service is covered and requires precertification before you have the service.

- **Circumstances beyond our control**

Under certain extraordinary circumstances, such as natural disasters, we may have to delay your services or we may be unable to provide them. In that case, we will make all reasonable efforts to provide you with the necessary care.

- **Services requiring our prior approval**

HMO-Under the HMO benefits, we have preauthorization. Your primary care physician has authority to refer you for most services. For certain services, however, your physician must obtain approval from us. Before giving approval, we consider if the service is covered, medically necessary, and follows generally accepted medical practice.

We call this review and approval process preauthorization. We are committed to working with your doctor to ensure you receive the best possible medical care in the most appropriate medical setting. Because some medical conditions can be treated in a variety of ways, our Medical Director has developed a list of procedures that we must approve before they are performed. Your doctor will work with us to obtain our prior approval and you do not have to do anything.

POS and HDHP-Under the POS and HDHP benefits, certain services require precertification.

- **Procedures that Require Preauthorization (HMO)**

  - All alcohol/substance abuse services or treatment
  - Autologous chondrocyte transplantation
  - Coronary stent brachytherapy for In-Stent Restenosis
  - Cosmetic procedures
  - CT Scan, PET Scan, MRI & MRA, Myocardial Nuclear Profusion Imaging
  - Dental services related to accidental injury or congenital anamoly
  - Durable medical equipment (including diabetes equipment), prosthetics, and orthopedic appliances
  - Elective inpatient hospitalizations
  - Enhanced external corporeal pulsation (EECP)
  - Follow-up for urgent care out of area
  - Gamma knife surgery, gamma stereotactic knife, stereotactic radiosurgery
  - Gastric bypass surgery

- Growth Hormone
- HDL/LDL sub type testing for assessment of coronary artery disease risk
- Home infusion services
- Infertility drugs
- Intra-articular injections of hyalgan or synvisc
- Investigational/Experimental procedures/New technology
- Lung reduction surgery
- Mental health services including psychological testing
- Non-formulary insulin and diabetic supplies
- Non-emergent ambulance/planned transfer
- Organ/tissue transplants
- Out-of-area hospital admissions
- Out-of-plan referrals
- Photodynamic therapy
- Prosorba column for rheumatoid arthritis
- Septorhinoplasty
- Skilled home care services

Note: Other services may be subject to preauthorization. Your provider must contact Independent Health for services not listed above which may require preauthorization.

- **Procedures that require precertification (POS)**

Under POS benefits, we call the prior approval process precertification. You are ultimately responsible for obtaining our prior approval before obtaining certain services. If you do not obtain precertification from us, we will apply a penalty to the covered charges or we may not cover the service at all in the event that we determine it is not medically necessary. You must obtain precertification from us for the following services:

- Elective facility/inpatient admissions (excluding maternity delivery)
- Reconstructive Surgery
- Accidental dental injuries
- DME Items:
  - BiPAP S/BiPAP ST
  - Bone Growth Stimulator
  - Breast pumps
  - CPAP
  - CPM
  - Light Boxes
  - LTV Ventilators
  - Ventilators
- Growth Hormone (must be dispensed at a Plan pharmacy)
- Home infusion services
- Medical supplies
- Pulmonary rehabilitation therapy
- Skilled home care services (including home infusion services) prior to the beginning of the initial visit
- Certain drugs in accordance with the Independent Health Prescription Drug Formulary

- **Procedures that require precertification (HDHP)**

  Under the HDHP benefits, we call the prior approval process precertification. You are ultimately responsible for obtaining our prior approval before obtaining certain services. If you do not obtain precertification from us, we will apply a penalty to the covered charges or we may not cover the service at all in the event that we determine it is not medically necessary. You must obtain precertification from us for the following services:

  - Elective facility/inpatient admissions (excluding maternity delivery)
  - Reconstructive Surgery
  - Accidental dental injuries
  - DME Items:
    - BiPAP S/BiPAP ST
    - Bone Growth Stimulator
    - Breast pumps
    - CPAP
    - CPM
    - Light Boxes
    - LTV Ventilators
    - Ventilators
  - Growth Hormone (must be dispensed at a Plan pharmacy)
  - Home infusion services
  - Medical supplies
  - Prosthetics and appliances
  - Pulmonary rehabilitation therapy
  - Skilled home care services (including home infusion services) prior to the beginning of the initial visit
  - Certain drugs in accordance with the Independent Health Prescription Drug Formulary

Section 4. Your costs for covered services

This is what you will pay out-of-pocket for covered care:

Additional Expenses	Under the POS benefits and HDHP out-of-network services, you pay the difference between the non-Plan provider's charges and the amount that we pay for a covered service in addition to the deductible amount applied, copay, coinsurance, and/or any non-covered service. Additional expenses may also result from charges that exceed a benefit maximum. For example, durable medical equipment has a $1,000 annual maximum under the HMO and HDHP benefits.
Coinsurance	Coinsurance is the percentage of our negotiated fee that you must pay for certain types of care. Example: Under the HMO benefits, you pay 50% of our allowance for durable medical equipment. Coinsurance also applies when you use the POS benefit and to our HDHP benefits.
Copayments	A copayment is a fixed amount of money you pay to the provider, facility, pharmacy, etc., when you receive certain services. Example: Under our HMO benefits, you pay a copayment of $20 per office visit when you see a primary care physician who is part of our network.
Cost-sharing	Cost-sharing is the general term used to refer to your out-of-pocket costs (e.g., deductible, coinsurance, and copayments) for the covered care you receive.
Deductible	Annual deductibles apply to POS benefits (see HMO Section 5(i) Point of Service Benefits) and HDHP benefits (see HDHP Section 5 Traditional medical coverage subject to the deductible). A deductible is a dollar amount that you must pay before we begin paying for covered services. For example, each member must satisfy a $500 deductible per member per calendar year under the POS benefits. Under Self and Family enrollment, 2 family members must each satisfy a $500 annual deductible. Under our HDHP coverage, the annual deductible is $2,000 under Self Only and $4,000 under Self and Family enrollment. The deductible must be satisfied in full by one or more family members before we will begin paying benefits.
Your catastrophic protection out-of-pocket maximum	**If you are enrolled in the HMO coverage QA1 or QA2:** We do not have an out-of-pocket maximum under the in-network HMO benefits. You pay the copay or coinsurance for a covered service as indicated in the brochure. **Under the Point of Service (POS) benefits,** your out-of-pocket maximum is $2,000 under Self Only and $4,000 under Self and Family coverage. After you have met the out-of-pocket maximum under the POS benefits, you will not pay coinsurance for covered POS services. However, you may owe additional expenses after our payment up to the provider's charge for a covered service. See the POS benefits (Section 5i). **If you are enrolled in the High Deductible Health Plan (QA4 or QA5):** The out-of-pocket maximum is $5,000 under Self Only coverage and $10,000 under Self and Family coverage. After you have met the out-of-pocket maximum under the HDHP benefits, you will not pay a copayment or coinsurance in and out-of -network for covered HDHP services. However, you may owe additional expenses after our payment up to the provider's charge for a covered service for out-of-network services. See the HDHP benefits (Sections 5a-5f).

The following services do not count toward the out-of-pocket maximum for POS coverage or HDHP coverage:

- Non-covered services
- Routine dental services
- Routine vision services
- Amounts that exceed our allowable charge for a covered service
- Precertification penalties

When Government facilities bill us

Facilities of the Department of Veterans Affairs, the Department of Defense and the Indian Health Services are entitled to seek reimbursement from us for certain services and supplies they provide to you or a family member. They may not seek more than their governing laws allow.

Section 5. HMO (High Option) Benefits

The enrollment codes for our HMO with POS are QA1 (Self Only) and QA2 (Self and Family). See page 10 for how our benefits changed this year. This benefits section is divided into subsections. Please read the important things you should keep in mind at the beginning of each subsection. Also read the General Exclusions in Section 6; they apply to the benefits in the following subsections. To obtain claim forms, claims filing advice, or more information about our benefits, contact our Member Services Department at (716) 631-8701 or 1-800-501-3439, or visit our web site at www.independenthealth.com.

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Section 5(a). Medical services and supplies provided by physicians and other health care professionals

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- Plan physicians must provide or arrange your care.
- We do not have a calendar year deductible for services that you receive under the HMO benefits.
- Please see Section 5(i) for information regarding POS benefits for out-of-network services. An annual deductible and coinsurance will apply to covered POS benefits.
- Your physician must obtain preauthorization for certain services. Please see pages 13-14 for a list of procedures that require preauthorization.
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.

	You pay
Diagnostic and treatment services	
Professional services of physicians • In physician's office	$20 per office visit
Professional services of physicians • In an urgent care center • Office medical consultations • Second surgical opinion	$20 per office visit
• During a hospital stay • In a skilled nursing facility	Nothing
• At home	$20 per office visit
Lab, X-ray and other diagnostic tests	
Tests, such as: • Blood tests • Urinalysis • Non-routine pap tests • Pathology • Non-routine Mammograms	Nothing
Radiology procedures such as: • X-rays • CT Scans/MRI • Ultrasound • Radiation therapy	$20 per visit for radiology services in addition to any copayment for office services
Diagnostic tests, such as: • Electrocardiogram and EEG	$20 per office visit for diagnostic tests

	You pay
Preventive care, adult	
Routine screenings, such as: • Total Blood Cholesterol – once every three years • Colorectal Cancer Screening , including - Fecal occult blood test - Sigmoidoscopy, screening – every five years starting at age 50 - Colonoscopy screening - Double contrast barium enema	$20 per office visit $20 per visit for radiology services in addition to any copayment for office services Nothing for laboratory services
Routine Prostate Specific Antigen (PSA) test – one annually for men age 40 and older	$20 per office visit Nothing for laboratory services
Routine Pap test Note: The office visit copay applies to a pap test performed on that day. See *Diagnosis and Treatment*, above.	$20 per office visit Nothing for laboratory services
Routine mammogram – covered for women age 35 and older, as follows: • From age 35 through 39, one during this five year period • From age 40 through 64, one every calendar year • At age 65 and older, one every two consecutive calendar years	Nothing
Routine bone density screening for: • Women age 65 and over • Women at increased risk age 60 and over	$20 per office visit
Adult routine immunizations endorsed by the Centers for Disease Control and Prevention (CDC).	$20 per office visit Note: If the only reason for your office visit is an Influenza or Pneumococcal vaccine, you pay nothing.
Not covered: Physical exams and immunizations required for obtaining or continuing employment or insurance, attending schools or camp, or travel.	*All charges*
Preventive care, children	
• Childhood immunizations recommended by the American Academy of Childhood Immunization Practices (ACIP)	Nothing
• Well-child care charges for routine examinations, immunizations and care - Examinations done on the day of immunizations	Nothing
• Examinations, for dependents, such as: - Eye chart exams to determine the need for vision correction - Ear exams to determine the need for hearing correction	$20 per office visit for eye and ear exams

	You pay
Maternity care	
Complete maternity (obstetrical) care, such as: • Prenatal care (excluding diagnostic testing) • Delivery • Postnatal care Note: Here are some things to keep in mind: • You may remain in the hospital up to 48 hours after a regular delivery and 96 hours after a cesarean delivery. We will extend your inpatient stay if medically necessary. • We cover routine nursery care of the newborn child during the covered portion of the mother's maternity stay. We will cover other care of an infant who requires non-routine treatment only if we cover the infant under a Self and Family enrollment. Surgical benefits, not maternity benefits, apply to circumcision. • We pay hospitalization and surgeon services (delivery) the same as for illness and injury. See Hospital benefits (Section 5(c)) and Surgery benefits (Section 5(b)).	*Nothing*
• Non-routine sonograms	$20 per visit
Not covered: Routine sonograms to determine fetal age, size or sex.	*All charges*
Family planning	
A range of voluntary family planning services, limited to: • Voluntary sterilization (See Surgical procedures Section 5(b)) • Surgically implanted contraceptives • Injectable contraceptive drugs (such as Depo Provera) • Intrauterine devices (IUDs) • Diaphragms Note: We cover oral contraceptives and certain contraceptive devices under the prescription drug benefit.	$20 per office visit
Not covered: • *Reversal of voluntary surgical sterilization* • *Genetic counseling*	*All charges*
Infertility services	
We will cover medical or surgical procedures which are medically necessary to diagnose or correct a malformation, disease, or dysfunction, resulting in infertility, and diagnostic tests and procedures that are necessary to determine infertility. We limit infertility coverage to correctable medical conditions that have resulted in infertility. Your applicable office visit, inpatient and outpatient facility copayments depend on the type and location of treatment or services [See Section 5(a), 5(b) and 5(c)]. Correctable medical conditions include: endometriosis, uterine fibroids, adhesive disease, congenital septate uterus, recurrent spontaneous abortions, and varicocele. In order to be eligible for Infertility services, you must:	$20 per visit for services performed at an office, outpatient facility or ambulatory surgical center Nothing for inpatient and laboratory services $20 per visit for radiology services

Infertility services - continued on next page

	You pay
Infertility services (cont.)	
• be at least 21 years of age and no older than 44; except for diagnosis and treatment for a correctable medical condition which incidentally results in Infertility • have a treatment plan submitted in advance to us by a physician who has the appropriate training, experience and meets other standards for diagnosis and treatment of infertility as promulgated by New York State • have a treatment plan that is in accordance with standards and guidelines established and adopted by the American College of Obstetricians and Gynecologists, the American Society for Reproductive Medicine, and the American Hospital Formulary Service Covered diagnostic tests and procedures including but not limited to the following procedures: • hysterosalpingogram • hysteroscopy • endometrial biopsy • laparoscopy • sonohysterogram • post coital tests • testes biopsy • semen analysis • blood tests • ultrasound • sperm washing • electroejaculation We cover the following types of artificial insemination: • intravaginal insemination (IVI) • intracervical insemination (ICI) • intrauterine insemination (IUI) Note: The number of allowable artificial insemination procedures is based on accepted medical practices. • Fertility drugs Note: We cover self injectable fertility drugs and oral fertility drugs under the prescription drug benefit.	$20 per visit for services performed at an office, outpatient facility or ambulatory surgical center Nothing for inpatient and laboratory services $20 per visit for radiology services
Not covered: • *Services for an infertility diagnosis as a result of current or previous sterilization procedures(s) and/or procedures(s) for reversal of sterilization.* • *Assisted reproductive technology (ART) procedures, such as:* • *in vitro fertilization* • *embryo transfer, gamete intra-fallopian transfer (GIFT) and zygote intra-fallopian transfer (ZIFT)* • *Services and supplies related to ART procedures*	*All charges*

Infertility services - continued on next page

	You pay
Infertility services (cont.)	
• *Costs associated with the collection and donation of sperm* • *Cost of donor sperm or donor egg and all related services* • *Over-the-counter medications, devices or kits, such as ovulation kits* • *Cloning or any services incident to cloning*	*All charges*
Allergy care	
• Testing and treatment • Allergy injections	$20 per office visit
• Allergy serum	Nothing
Not covered: Provocative food testing and sublingual allergy desensitization	*All charges*
Treatment therapies	
• Chemotherapy Note: High dose chemotherapy in association with autologous bone marrow transplants is limited to those transplants listed under Organ/Tissue Transplants on page 30. • Respiratory and inhalation therapy • Cardiac rehabilitation following a heart transplant, bypass surgery or a myocardial infarction, is provided for up to 36 sessions. • Dialysis – hemodialysis and peritoneal dialysis • Growth hormone therapy (GHT) Note: Growth hormone is covered under the prescription drug benefit. Note: – We only cover GHT when we preauthorize the treatment. Your prescribing physician will request prior authorization from us if GHT is medically necessary for your treatment. We review most prior authorization requests within 24 hours or receipt of all necessary information.	$20 per office visit
• Radiation Therapy	$20 per office visit
• Intravenous (IV)/Infusion Therapy – Home IV and antibiotic therapy	Nothing
Physical and occupational therapies	
• Up to two consecutive months per condition for the services of each of the following: - qualified physical therapists and - occupational therapists Note: We only cover therapy to restore bodily function when there has been a total or partial loss of bodily function due to illness or injury.	$20 per outpatient visit Nothing per visit during covered inpatient admission
Not covered: • *Long-term rehabilitative therapy* • *Exercise programs*	*All charges*

	You pay
Speech therapy	
• Up to two consecutive months per condition for the services from a licensed speech therapist	$20 per outpatient visit Nothing per visit during covered inpatient admission
Hearing services (testing, treatment, and supplies)	
• First hearing aid and testing only when necessitated by accidental injury • Hearing testing for children up to age 22 to determine the need for hearing correction. (see *Preventive care, children)*	$20 per office visit
Not covered: • *All other hearing testing* • *Hearing aids, testing and examinations for them*	*All charges*
Vision services (testing, treatment, and supplies)	
• Eye examinations for medical conditions such as glaucoma, retinitis pigmentosa, and macular degeneration Note: Refractive eye examinations and optical dispensing are available through Independent Health's EyeMed vision program. Please see Section 5 Non-FEHB benefits available to Plan members.	$20 per office visit
Not covered: • *Eye exercises and orthoptics* • *Radial keratotomy and other refractive surgery* • *Eye glasses or contact lenses.* *Note: Discounts for eyeglasses and contacts are available through Independent Health's EyeMed vision program. Please see Section 5 Non-FEHB benefits available to Plan members.*	*All charges*
Foot care	
Routine foot care when you are under active treatment for a metabolic or peripheral vascular disease, such as diabetes. Note: See Orthopedic and prosthetic devices for information on podiatric shoe inserts.	$20 per office visit
Not covered: • *Cutting, trimming or removal of corns, calluses, or the free edge of toenails, and similar routine treatment of conditions of the foot, except as stated above* • *Treatment of weak, strained or flat feet or bunions or spurs; and of any instability, imbalance or subluxation of the foot (unless the treatment is by open cutting surgery)*	*All charges*

	You pay
Orthopedic and prosthetic devices	
• Artificial limbs and eyes; stump hose • Corrective orthopedic appliances for non-dental treatment of temporomandibular joint (TMJ) pain dysfunction syndrome. • Ostomy supplies	50% coinsurance per device/supplies
• Externally worn breast prostheses and surgical bras, including necessary replacements following a mastectomy	Nothing
Internal prosthetic devices, such as artificial joints, pacemakers, cochlear implants, and surgically implanted breast implant following mastectomy. Note: See 5(b) for coverage of the surgery to insert the device.	Nothing
Not covered: • *Hearing aids* • *Orthopedic and corrective shoes* • *Arch supports* • *Foot orthotics* • *Heel pads and heel cups* • *Lumbosacral supports* • *Corsets, trusses, elastic stockings, support hose, and other supportive devices* • *Wigs or hair prosthesis*	*All charges*
Durable medical equipment (DME)	
Rental or purchase, at our option, including repair and adjustment, of durable medical equipment prescribed by your Plan physician, such as oxygen and dialysis equipment. Under this benefit, we also cover: • Hospital beds; • Wheelchairs; • Crutches; • Walkers; Note: You must receive preauthorization from the Medical Director before purchasing DME. When your physician prescribes this equipment, the physician and/or DME vendor will contact us to receive approval.	50% coinsurance per device Note: You have an annual maximum benefit of $1,000 for DME.
Diabetic equipment such as: • Insulin pumps • Blood glucose monitors	$20 per item
Not covered: • *Personal convenience items* • *Humidifiers, air conditioners* • *Athletic or exercise equipment* • *Computer assisted communication devices*	*All charges*

	You pay
Home health services	
• Home health care ordered by a Plan physician and provided by a registered nurse (R.N.), licensed practical nurse (L.P.N.), licensed vocational nurse (L.V.N.), or home health aide.	$20 per visit
• Services include oxygen therapy, intravenous therapy and medications.	Nothing
Not covered: • *Nursing care requested by, or for the convenience of, the patient or the patient's family;* • *Home care primarily for personal assistance that does not include a medical component and is not diagnostic, therapeutic, or rehabilitative.* • *Private duty nursing;* • *Services primarily for hygiene, feeding, exercising, moving the patient, homemaking, companionship or giving oral medication.*	*All charges*
Chiropractic	
The following services by a licensed Plan chiropractor • Manipulation of the spine and extremities • Adjunctive procedures such as ultrasound, electrical muscle stimulation, vibratory therapy, and cold pack application Note: Chiropractic care must be provided in connection with the detection and correction by manual or mechanical means, of any structural imbalance, distortion or subluxation in the human body.	$20 per office visit
Alternative treatments	
No benefit. We do not cover services such as: • *Acupuncture* • *Naturopathic services* • *Hypnotherapy* • *Biofeedback*	*All charges*
Educational classes and programs	
Coverage is limited to: • Diabetes self management • Nutritional counseling Note: Please refer to Section 5 Non-FEHB benefits available to Plan members for other classes such as Stop Smoking Classes.	$20 per office visit

Section 5(b). Surgical and anesthesia services provided by physicians and other health care professionals

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- Plan physicians must provide or arrange your care.
- We do not have a calendar year deductible for services that you receive under the HMO benefits.
- Please see Section 5(i) for information regarding POS benefits for out-of-network services. An annual deductible and coinsurance will apply to covered POS benefits.
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.
- The amounts listed below are for the charges billed by a physician or other health care professionals for your surgical care. Look in Section 5(c) for charges associated with the facility (i.e. hospital, surgical center, etc.).
- **YOUR PHYSICIAN MUST GET PREAUTHORIZATION FOR SOME SURGICAL PROCEDURES.** Please refer to the preauthorization information shown in Section 3 to be sure which services require preauthorization and identify which surgeries require preauthorization.

Benefit Description	You pay
Surgical procedures	
A comprehensive range of services, such as: • Operative procedures • Treatment of fractures, including casting • Normal pre- and post-operative care by the surgeon • Correction of amblyopia and strabismus • Endoscopy procedures • Biopsy procedures • Removal of tumors and cysts • Correction of congenital anomalies (see Reconstructive surgery) • Surgical treatment of morbid obesity (bariatric surgery) -- a condition in which an individual weighs 100 pounds or 100% over his or her normal weight according to current underwriting standards, or a body mass index (BMI) greater than 40 or greater than 35 with serious medical conditions exacerbated or caused by obesity, such as diabetes, sleep apnea, etc. Eligible members must be age 18 or over.	$20 per office visit Nothing for outpatient surgery or inpatient services
• Insertion of internal prosthetic devices. See 5(a) – Orthopedic and prosthetic devices for device coverage information • Voluntary sterilization (e.g., tubal ligation, vasectomy) • Treatment of burns Note: Generally, we pay for internal prostheses (devices) according to where the procedure is done. For example, we pay Hospital benefits for a pacemaker and Surgery benefits for insertion of the pacemaker.	$20 per office visit Nothing for outpatient surgery or inpatient services
Not covered:	*All charges*

Surgical procedures - continued on next page

Benefit Description	You pay
Surgical procedures (cont.)	
• *Reversal of voluntary sterilization* • *Routine treatment of conditions of the foot; see Foot care*	*All charges*
Reconstructive surgery	
• Surgery to correct a functional defect • Surgery to correct a condition caused by injury or illness if: - the condition produced a major effect on the member's appearance and - the condition can reasonably be expected to be corrected by such surgery • Surgery to correct a condition that existed at or from birth and is a significant deviation from the common form or norm. Examples of congenital anomalies are: severe protruding ear deformities; cleft lip; cleft palate; birth marks; webbed fingers; and webbed toes. • All stages of breast reconstruction surgery following a mastectomy, such as: - surgery to produce a symmetrical appearance of breasts; - treatment of any physical complications, such as lymphedemas; - breast prostheses and surgical bras and replacements (see Prosthetic devices) Note: If you need a mastectomy, you may choose to have the procedure performed on an inpatient basis and remain in the hospital up to 48 hours after the procedure.	$20 per office visit Nothing for outpatient surgery or inpatient services
Not covered: • *Cosmetic surgery – any surgical procedure (or any portion of a procedure) performed primarily to improve physical appearance through change in bodily form, except repair of accidental injury* • *Surgeries related to sex transformation*	*All charges*
Oral and maxillofacial surgery	
Oral surgical procedures, limited to: • Reduction of fractures of the jaws or facial bones; • Surgical correction of cleft lip, cleft palate or severe functional malocclusion; • Removal of stones from salivary ducts; • Excision of leukoplakia or malignancies; • Excision of cysts and incision of abscesses when done as independent procedures; and • Other surgical procedures that do not involve the teeth or their supporting structures.	$20 per office visit Nothing for outpatient surgery or inpatient services
Not covered: • *Oral implants and transplants* • *Procedures that involve the teeth or their supporting structures (such as the periodontal membrane, gingiva, and alveolar bone)*	*All charges*

Benefit Description	You pay
Organ/tissue transplants	
Solid organ transplants limited to: • Cornea • Heart • Heart/lung • Single, double or lobar lung • Kidney • Liver • Pancreas • Autologous pancreas islet cell transplant (as an adjunct to total or near total pancreatectomy) only for patients with chronic pancreatitis • Intestinal transplants - Small intestine - Small intestine with the liver - Small intestine with multiple organs, such as the liver, stomach, and pancreas	$20 per office visit Nothing for outpatient surgery or inpatient services
Blood or marrow stem cell transplants limited to the stages of the following diagnoses. The medical necessity limitation is considered satisfied if the patient meets the staging description. Allogeneic transplants for: • Acute lymphocytic or non-lymphocytic (i.e., myelogeneous) leukemia • Chronic lymphocytic lymphoma/small lymphocytic lymphoma (CLL/SLL) • Advanced Hodgkin's lymphoma • Advanced non-Hodgkin's lymphoma • Chronic myleogenous leukemia • Hemoglobinopathy (i.e. Fanconi's, Thalessemia major) • Myelodysplasia/Myelodysplastic syndromes • Severe combined immunodeficiency • Severe or very severe aplastic anemia • Amyloidosis Autologous transplants for: • Acute lymphocytic or nonlymphocytic (i.e., myelogenous) leukemia • Advanced Hodgkin's lymphoma • Advanced non-Hodgkin's lymphoma • Neuroblastoma • Amyloidosis Autologous tandem transplants for recurrent germ cell tumors (including testicular cancer) • Recurrent germ cell tumors (including testicular cancer) • Multiple myeloma • De-novo myeloma	$20 per office visit Nothing for inpatient services

Organ/tissue transplants - continued on next page

Benefit Description	You pay
Organ/tissue transplants (cont.)	
Blood or marrow stem cell transplants limited to the stages of the following diagnoses. Allogeneic transplants for: • Phagocytic/Hemophagocytic deficiency diseases (e.g., Wiskott-Aldrich syndrome) • Advanced neuroblastoma • Infantile malignant osteopetrosis • Kostmann's syndrome • Leukocyte adhesion deficiencies • Mucolipidosis (e.g., Gaucher's disease, metachromatic leukodystrophy, adrenoleukodystrophy) • Mucopolysaccharidosis (e.g., Hunter's syndrome, Hurler's syndrome, Sanfilippo's syndrome, Maroteaux-Lamy syndrome variants) • Myeloproliferative disorders • Sickle cell anemia • X-linked lymphoproliferative syndrome Autologous transplants for • Multiple myeloma • Testicular, mediastinal, retroperitoneal, and ovarian germ cell tumors • Breast cancer • Epithelial ovarian cancer • Ependymoblastoma • Ewing's sarcoma • Medulloblastoma • Pineoblastoma • Waldentrom's macroglobulinemia Mini-transplants (non-myeloblative, reduced intensity conditioning) for covered transplants: Subject to medical necessity Tandem transplants for covered transplants: Subject to medical necessity	$20 per office visit Nothing for inpatient services
Blood or marrow stem cell transplants covered only in a National Cancer Institute or National Institutes of Health approved clinical trial or a Plan-designated center of excellence and if approved by the Plan's medical director in accordance with the Plan's protocols for: Allogeneic transplants for: • Chronic lymphocytic leukemia • Chronic lymphocytic lymphoma/small lymphocytic lymphoma (CLL/SLL) • Early stage (indolent or non-advanced) small cell lymphocytic lymphoma • Myelodysplasia/Myelodysplatic syndromes • Multiple myeloma • Multiple sclerosis	$20 per office visit Nothing for inpatient services

Organ/tissue transplants - continued on next page

Benefit Description	You pay
Organ/tissue transplants (cont.)	
Nonmyeloablative allogeneic transplants for • Acute lymphocytic or non-lymphocytic (i.e., myelogeneous) leukemia • Myelodysplastic syndromes • Advanced Hodgkin's lymphoma • Advanced non-Hodgkin's lymphoma • Breast cancer • Chronic lymphocytic leukemia • Chronic myelogenous leukemia • Colon cancer • Early stage (indolent or non-advanced) small cell lymphocytic lymphoma • Chronic lymphocytic lymphoma/small lymphocytic lymphoma (CLL/SLL) • Multiple myeloma • Multiple sclerosis • Myeloproliferative disorders • Non-small cell lung cancer • Ovarian cancer • Prostate cancer • Renal cell carcinoma • Sarcomas Autologous transplants for • Chronic lymphocytic leukemia • Chronic myelogenous leukemia • Early stage (indolent or non-advanced) small cell lymphocytic lymphoma • Chronic lymphocytic lymphoma/small lymphocytic lymphoma (CLL/SLL) • Small cell lung cancer • Multiple sclerosis • Systemic lupus erythematosus • Systemic sclerosis You must obtain our preauthorization for all organ/tissue transplants. Contact us directly for information. Note: We cover related medical and hospital expenses of the donor when we cover the recipient.	$20 per office visit Nothing for inpatient services
Not covered: • *Donor screening tests and donor search expenses, except those performed for the actual donor* • *Implants of artificial organs* • *Transplants not listed as covered*	*All charges*

Benefit Description	You pay
Anesthesia	
Professional services provided in – • Hospital (inpatient) • Hospital outpatient department • Skilled nursing facility • Ambulatory surgical center • Office	Nothing

Section 5(c). Services provided by a hospital or other facility, and ambulance services

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- Plan physicians must provide or arrange your care and you must be hospitalized in a Plan facility.
- We do not have a calendar year deductible for services that you receive under the HMO benefits.
- Please see Section 5(i) for information regarding POS benefits for out-of-network services. An annual deductible and coinsurance will apply to covered POS benefits.
- Be sure to read Section 4, *Your costs for covered services* for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.
- The amounts listed below are for the charges billed by the facility (i.e., hospital or surgical center) or ambulance service for your surgery or care. Any costs associated with the professional charge (i.e., physicians, etc.) are covered in Sections 5(a) or (b).
- **YOUR PHYSICIAN MUST GET PREAUTHORIZATION FOR HOSPITAL STAYS.** Please refer to Section 3 to be sure which services require preauthorization.

Benefit Description	You pay
Inpatient hospital	
Room and board, such as • Ward, semiprivate, or intensive care accommodations; • General nursing care; and • Meals and special diets. Note: If you want a private room when it is not medically necessary, you pay the additional charge above the semiprivate room rate.	$250 copay; 1 per individual, 2 per family per calendar year Copay is waived if readmitted within 90 days from date of last discharge. Note: Newborn and infant nursery care: nothing
Other hospital services and supplies, such as: • Operating, recovery, maternity, and other treatment rooms • Prescribed drugs and medicines • Diagnostic laboratory tests and X-rays • Administration of blood and blood products • Blood or blood plasma, if not donated or replaced • Dressings, splints, casts, and sterile tray services • Medical supplies and equipment, including oxygen • Anesthetics, including nurse anesthetist services • Medical supplies, appliances, medical equipment, and any covered items billed by a hospital for use at home.	Nothing
Not covered: • *Custodial care* • *Non-covered facilities, such as nursing homes, schools* • *Personal comfort items, such as telephone, television, barber services, guest meals and beds* • *Private nursing care*	*All charges*

Benefit Description	You pay
Outpatient hospital or ambulatory surgical center	
• Operating, recovery, and other treatment rooms • Prescribed drugs and medicines • Diagnostic laboratory tests, X-rays, and pathology services • Administration of blood, blood plasma, and other biologicals • Blood and blood plasma, if not donated or replaced • Pre-surgical testing • Dressings, casts, and sterile tray services • Medical supplies, including oxygen • Anesthetics and anesthesia service Note: We cover hospital services and supplies related to dental procedures when necessitated by a non-dental physical impairment. We do not cover the dental procedures.	$20 per visit
Not covered: Blood and blood derivatives not replaced by the member	*All charges*
After hours care centers	
• Treatment for acute, urgent and non-life threatening conditions during non-traditional office hours • Minor outpatient procedures not requiring conscious sedation or a high level of anesthesia • Diagnostic laboratory tests and X-rays Facilities: Lifetime Health Centers MedFirst Urgent Care Center Reddy Care Urgent Medical Center WNY Immediate Care Center Note: Services provided at the above facilities during your Primary Physician's office hours are subject to review to determine if services were medically necessary.	$35 per visit
Not covered: Visits to a participating after hours care center during your Primary Physician's traditional office hours that we determine are not medically necessary.	*All charges*
Extended care benefits/Skilled nursing care facility benefits	
Skilled nursing facility (SNF) and subacute facility: We provide a comprehensive range of benefits for up to 45 days per calendar year when full-time skilled nursing care is necessary and confinement in a skilled nursing facility is medically appropriate as determined by a Plan doctor and approved by us. All necessary services are covered, including: • bed, board and general nursing care • drugs, biologicals, supplies and equipment ordinarily provided or arranged by the skilled nursing facility when prescribed by a Plan doctor.	$250 copay; 1 per individual, 2 per family per calendar year Copay is waived if readmitted within 90 days from date of last discharge.

Extended care benefits/Skilled nursing care facility benefits - continued on next page

Benefit Description	You pay
Extended care benefits/Skilled nursing care facility benefits (cont.)	
Not covered: Custodial care, maintenance care, respite care, or convenience care	*All charges*
Hospice care	
We cover up to 210 days of Hospice services on an inpatient or outpatient basis (including medically necessary supplies and drugs) for a terminally ill member. Covered care is provided in the home or hospice facility under the direction of a Plan doctor who certifies that the patient is in the terminal stages of illness, with a life expectancy of approximately six months or less. As a part of hospice care, we cover up to five (5) visits of bereavement counseling for covered family. Hospice care includes Advance Care Planning (ACP) prior to admittance to a hospice Plan program or facility. ACP means home visits, from a program sponsored by a plan hospice provider, to assist members in preparing for issues they face following a life threatening or terminal diagnosis. ACP is limited to a maximum of six (6) ACP visits per calendar year. This benefit is in addition to the hospice care benefit described above.	$250 copay ; 1 per individual, 2 per family per calendar year Copay is waived if readmitted within 90 days from date of last discharge. Outpatient: Nothing Advanced Care Planning: Nothing
Not covered: Independent nursing, homemaker services	*All charges*
Ambulance	
• Local professional ambulance service when medically appropriate. See 5(d) for emergency service.	$25 per trip
Not covered: *Wheelchair van transportation*	*All charges*

Section 5(d). Emergency services/accidents

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- We do not have a calendar year deductible for services that you receive under the HMO benefits.
- Please see Section 5(i) for information regarding POS benefits for out-of-network services. An annual deductible and coinsurance will apply to covered POS benefits.
- Be sure to read Section 4, *Your costs for covered services*, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.

What is a medical emergency?

A medical emergency is the sudden and unexpected onset of a condition or an injury that you believe endangers your life or could result in serious injury or disability, and requires immediate medical or surgical care. Some problems are emergencies because, if not treated promptly, they might become more serious; examples include deep cuts and broken bones. Others are emergencies because they are potentially life-threatening, such as heart attacks, strokes, poisonings, gunshot wounds, or sudden inability to breathe. There are many other acute conditions that we may determine are medical emergencies – what they all have in common is the need for quick action.

What to do in case of emergency within the service area:

If you believe that you have an emergency, call 911 or go to the nearest emergency room. If you aren't sure, call your primary care doctor as soon as you can. You may also contact Independent Health's 24-hour Medical Help Line at 1-800-501-3439. A nurse assist you and tell you what to do at home or tell you to go to the primary care doctor's office or the nearest emergency room.

What to do in case of emergency outside the service area:

Go to the nearest emergency room. Call Independent Health as soon as you can (within 48 hours if possible). For urgent care services, call Independent Health's 24-hour Medical Help Line at 1-800-501-3439. If you do not contact us, you will owe a deductible and coinsurance. Please see Section 5(i) for information regarding the POS benefits.

Benefit Description	You Pay
Emergency within our service area	
• Emergency care at a doctor's office • Emergency care at an urgent care center (not an after hours care center)	$20 per doctor's office visit or urgent care center visit
• Emergency care as an outpatient at a hospital, including doctors' services Note: We waive the ER copay if you are admitted to the hospital.	$50 per hospital emergency room visit
Not covered: Elective care or non-emergency care. See Section 5(i) for POS benefits.	*All charges*

Benefit Description	You Pay
Emergency outside our service area	
• Emergency care at a doctor's office • Emergency care at an urgent care center • Urgent care at a doctor's office or urgent care center	$20 per visit plus the difference, if any, between the Plan's reimbursement and the provider's billed charges. Note: We require a $20 copay for each provider per date of service.
• Emergency care as an outpatient at a hospital, including doctors' services. Note: We waive the copay if the emergency results in an inpatient admission to the hospital.	$50 per hospital emergency room visit
Not covered: • *Elective care or non-emergency care* • *Emergency care provided outside the service area if the need for care could have been foreseen before leaving the service area* • *Medical and hospital costs resulting from a normal full-term delivery of a baby outside the service area* *Note: See Section 5(i) for POS benefits.*	*All charges*
Ambulance	
Professional ambulance service for the prompt evaluation and treatment of a medical emergency and/or transportation to a hospital for the treatment of an emergency condition. Note: See 5(c) for non-emergency service.	$25 per trip
Not covered: *Wheel chair van transportation*	*All charges*

Section 5(e). Mental health and substance abuse benefits

When you get our approval for services and follow a treatment plan we approve, cost-sharing and limitations for Plan mental health and substance abuse benefits will be no greater than for similar benefits for other illnesses and conditions.

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- We do not have a calendar year deductible for services that you receive under the HMO benefits.
- Please see Section 5(i) for information regarding POS benefits for out-of-network services. An annual deductible and coinsurance will apply to covered POS benefits.
- Be sure to read Section 4, *Your costs for covered services*, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.
- **YOU MUST GET PREAUTHORIZATION FOR THESE SERVICES.** See the instructions after the benefits description below.

Benefit Description	
Mental health and substance abuse benefits	
All diagnostic and treatment services recommended by a Plan provider and contained in a treatment plan that we approve. The treatment plan may include services, drugs, and supplies described elsewhere in this brochure. Note: Plan benefits are payable only when we determine the care is clinically appropriate to treat your condition and only when you receive the care as part of a treatment plan that we approve.	Your cost sharing responsibilities are no greater than for other illnesses or conditions.
• Professional services, including individual or group therapy by providers such as psychiatrists, psychologists, or clinical social workers • Medication management	$20 per visit
• Diagnostic tests	Nothing for laboratory tests; $20 per office visit for diagnostic tests; $20 per visit for radiology services in addition to any copayment for office services
• Services provided by a hospital or other facility • Services in approved alternative care settings such as partial hospitalization, half-way house, residential treatment, full-day hospitalization, facility based intensive outpatient treatment (limited to no more than 45 days per calendar year).	$250 copay; 1 per individual, 2 per family per calendar year Copay is waived if readmitted within 90 days from date of last discharge $20 per outpatient visit
Not covered: Services we have not approved. *Note: OPM will base its review of disputes about treatment plans on the treatment plan's clinical appropriateness. OPM will generally not order us to pay or provide one clinically appropriate treatment plan in favor of another.*	*All charges*

Preauthorization

To be eligible to receive these benefits you must obtain a treatment plan and follow all of the following network authorization processes:

We are committed to working with our providers to ensure that you receive the best possible care in the most appropriate setting. Because some mental health and substance abuse conditions can be treated in a variety of ways, we require that Plan providers obtain preauthorization from us.

Independent Health recognizes that you and your doctor may need assistance in finding an appropriate provider. Your doctor may contact our Medical Resource Management (MRM) Department for assistance. You will receive a copy of our provider directory when you join Independent Health. If you need an additional copy, call our Member Services Department at (716) 631-8701 or 1-800-501-3439. Please see Section 5(i) regarding your POS benefits.

Limitation

We may limit your benefits if you do not obtain a treatment plan.

Section 5(f). Prescription drug benefits

Important things you should keep in mind about these benefits:

- We cover prescribed drugs and medications, as described in the chart beginning on the next page.
- Please remember that all benefits are subject to the definitions, limitations and exclusions in this brochure and are payable only when we determine they are medically necessary.
- We do not have a calendar year deductible for services that you receive under the HMO benefits.
- Prescription drugs are not covered under the POS benefits. You must use a Plan pharmacy to fill your prescription.
- Some drugs require prior authorization, including non-formulary insulin and non-formulary diabetic supplies. Your prescribing Plan physician will request required prior authorization from us when the drug is medically necessary for your treatment. We review most prior authorization requests within 1 business day of receipt of all necessary information. If the prescribing provider is a non-Plan provider, the non-Plan provider must contact us for preauthorization or we will not cover the prescription.
- Be sure to read Section 4, *Your costs for covered services,* for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.

There are important features you should be aware of. These include:

- **Who can write your prescription.** A state licensed provider must write the prescription.
- **Where you can obtain them.**You must fill the prescription at a Plan pharmacy. In addition to the many local pharmacies that are available, our national pharmacy network provides access to more than 52,000 pharmacies across the country. To take advantage of our National Pharmacy Network, simply present your member ID card at a participating pharmacy.
- **Mail Order Pharmacy.** In addition to Independent Health's pharmacy network, you may also obtain your maintenance medications through Express Scripts or Walgreens Mail Service. When using mail order pharmacies, your medications are shipped to you by standard delivery at no additional cost to you (express shipping is available for an additional charge). Maintenance medications must be dispensed in 90-day supply quantities (3 copays apply). Before using Express Scripts or Walgreens Mail Service for the first time, you will have to register with the mail order pharmacy of your choice. Here's how to reigster:
  - **By mail:** please contact our Member Services Department at (716) 631-3001 or 1-800-501-3439 for a registration form for the pharmacy of your choice
  - **Online:** www.express-scripts.com or www.walgreensmail.com
  - **By Phone:**
    - Express Scripts: 1-866-467-8642 (TTY/TDD: 1-800-899-2114)
    - Walgreens Mail Service: 1-866-202-5196 (TTY/TDD: 1-800-573-1833)
  - **To obtain your mail order pharmacy prescriptions**
    - You will first need a new prescription written by your doctor. Please ask your doctor to write a new prescription for a 90-day supply for mail service plus refills for up to 1 year (as appropriate). Please check the Independent Health drug formulary for covered medications.
    - Please note: when placing your initial order, you should have at least a 14-day supply of that medication on hand to hold you over. If you do not have enough medication, you may need to ask your doctor for another prescription for a 30-day supply to be filled at your local retail network pharmacy.
  - **To order refills:**
    - You can easily refill your prescriptions online, by telephone or by mail. Have your Member ID ready and your prescription number for the medication available. If you choose to pay by credit card, please have that number available as well. To make sure you don't run out of medication, remember to re-order 14 days before your medication runs out.

- **We use a formulary.** We use a 3-tier prescription drug formulary. It is a list of drugs that we have approved to be dispensed through Plan pharmacies. Our formulary has more than 1,000 different medications and covers all classes of drugs prescribed for a variety of diseases. Tier 1 generally contains preferred generic and some over-the-counter drugs. Tier 2 contains preferred brand name drugs. Tier 3 contains non-preferred drugs. To obtain a copy of the formulary, visit our website at www.independenthealth.com or contact our Member Services Department at (716) 631-8701 or 1-800-501-3439. Our Pharmacy and Therapeutics Committee, which consists of local doctors and pharmacists, meets quarterly to review the formulary. The committee's recommendations are forwarded to our Health Care Quality Committee who makes the final decision.
- **These are the dispensing limitations.** You may obtain up to a 30-day supply per copay. Plan pharmacies fill prescriptions using FDA-approved generic equivalents if available. All other prescriptions are filled using FDA-approved brand name pharmaceuticals. You pay a $10 copay for all Tier 1/preferred drugs, a $20 copay for Tier 2/preferred drugs and a $35 copay for all Tier 3/non-preferred drugs. Most antibiotics are limited to a 10-day supply with one refill within 15 days of the original fill. Prescriptions written by an emergency room physician are limited to a 10-day supply with no refills. If you are in the military and called to active duty, please contact us if you need assistance in filling a prescription before your departure.
- **A generic equivalent will be dispensed if it is available,** unless your physician requires a name brand. If you receive a name brand drug when a Federally-approved generic drug is available, and your physician has not specified Dispense as Written for the name brand drug, you have to pay the difference between the name brand drug and the generic.
- **Why use generic drugs?** Generic drugs offer a safe and economic way to meet your prescription drug needs. Generic drugs contain the same active ingredients and are equivalent in strength and dosage to the original brand name product. The U.S. Food and Drug Administration sets quality standards for generic drugs to ensure that these drugs meet the same standards for safety, purity, strength and effectiveness as brand-name drugs. Generic drugs are generally less expensive than brand name drugs, in most instances are the most cost effective therapy available, and may save you money.
- **When you do have to file a claim.** If you do not have access to a Plan pharmacy in an emergency situation and you receive a bill for prescriptions filled at a non-plan pharmacy, please send a copy of the bill, with your member ID number, to: Independent Health, 511 Farber Lakes Drive, Buffalo, NY 14221 Attn: Pharmacy Department.

Benefit Description	
Covered medications and supplies	
We cover the following medications and supplies prescribed by a licensed provider and obtained from a Plan pharmacy: • Drugs and medicines that by Federal law of the United States require a provider's prescription for their purchase, except those listed as Not covered. • Growth hormones (with preauthorization) • Contraceptives and contraceptive devices, including diaphragms • Nutritional supplements medically necessary for the treatment of phenylketonuria (PKU) and other related disorders (with preauthorization) • Self-administered injectable drugs (with preauthorization) • Infertility drugs when you meet specific criteria (See Section 5(a) Infertility Services) • Sexual dysfunction drugs have dispensing limitations. Contact us for details. Note: Intravenous fluids and medication for home use, implantable drugs, and injectable or implantable contraceptives are covered under Medical and Surgical Benefits.	Unless otherwise indicated, • $10 per 30-day supply of a Tier 1 drug or • $ 20 per 30-day supply of a Tier 2 drug or • $35 per 30-day supply of a Tier 3 drug Note: If there is no Tier 1 equivalent available, you will still have to pay the Tier 2 or Tier 3 copay.
• Tier 1 oral contraceptives	Nothing per 30-day supply

Covered medications and supplies - continued on next page

Benefit Description	
Covered medications and supplies (cont.)	
• Insulin and oral agents • Diabetic supplies such as test strips for glucose monitors and visual reading and urine testing strips, syringes, lancets and cartridges for the visually impaired • Disposable needles and syringes needed to inject insulin	$20 copay or the applicable prescription copay, whichever is less, for up to a 30-day supply
Needles and syringes necessary to inject covered medication	20% copay
Not covered: • *Drugs and supplies for:* *cosmetic purposes* *smoking cessation (see non-FEHB benefits in Section 5)* *athletic performance* • *Fertility drugs when you do not meet the New York State-mandated criteria for coverage or when related to non-covered infertility procedures* • *Drugs obtained at a non-Plan pharmacy; except for out-of-area emergencies* • *Vitamins, nutrients and food supplements for any reason* • *Drugs available without a prescription except for some over-the-counter products as listed on our formulary* • *Medical supplies such as dressings and antiseptics* • *Prescription refills beyond one year from the original date written*	*All charges*

Section 5(g). Dental benefits

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- If you are enrolled in a Federal Employees Dental/Vision Insurance Program (FEDVIP) Dental Plan, your FEHB Plan will be First/Primary payer of any Benefit payments and your FEDVIP Plan is secondary to your FEHB plan. See Section 9 Coordinating benefits with other coverage.
- Plan dentists must provide or arrange your care.
- We cover hospitalization for dental procedures only when a non-dental physical impairment exists which makes hospitalization necessary to safeguard the health of the patient. See Section 5(c) for inpatient hospital benefits. We do not cover the dental procedure unless it is described below.
- You must obtain preauthorization of covered services. See pages 13-14 for a list of services that require preauthorization.
- Be sure to read Section 4, *Your costs for covered services*, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.

Benefit Desription	You Pay
Accidental injury benefit	
We cover restorative services and supplies necessary to repair (but not replace) sound natural teeth within twelve months of the accident. The need for these services must result from an accidental injury. Note: Please see specific benefit description for any additional services that may be rendered in an office setting for the amount you pay.	$20 per office visit
Not covered: • *Injury to the teeth caused by eating or chewing*	*All charges*
Dental benefits	
We cover treatment that is medically necessary due to a congentical disease or anomaly such as cleft lip/cleft palate.	$20 per office visit $20 for outpatient surgery
Not covered: *Dental services not shown as covered.*	*All charges*

Section 5(h). Special features

Feature	Description
Flexible benefits option	Under the flexible benefits option, we determine the most effective way to provide services. • We may identify medically appropriate alternatives to traditional care and coordinate other benefits as a less costly alternative benefit. • Alternative benefits will be made available for a limited time period and are subject to our ongoing review. You must cooperate with the review process. • By approving an alternative benefit, we cannot gaurantee you will get it in the future. • Our decision to offer or withdraw alternative benefits is not subject to OPM review under the disputed claims process.
24-Hour Medical Help Line	Independent Health's 24-Hour Medical Help Line is ideal for those times when you can't reach your doctor right away and you have concerns and questions about an illness or you need to reach a medical resource management (MRM) case manager. Our registered nurses are on call to assist you 24 hours a day, 7 days a week, and can even coordinate a trip to the hospital in case of an emergency. Call (716) 631-8701 or 1-800-501-3439 to get the help you need when you need it most.
Services for deaf and hearing impaired	You may contact Independent Health through a TDD machine at (716) 631-3108.
Case Management	The purpose of case management is to identify high-risk members and coordinate care such that the member receives appropriate, high-quality care in appropriate settings. Members are referred from many sources. Those cases, which are referred to the Case Management team, will have an assessment and phone call to the member/family within 48 hour of the referral.
Facilities for transplants/ heart surgery/etc	With preauthorization, you have access our participating providers and United Resource Network facilities: **Bone Marrow** – Roswell Park Cancer Institute, Strong Memorial Hospital (Rochester) **Heart** – Strong Memorial Hospital (Rochester), Children's Hospital of Pittsburgh, University of Wisconsin, Cleveland Clinic Foundation **Heart/Lung** – University of Wisconsin, Cleveland Clinic Foundation **Lung** – University of Wisconsin, Cleveland Clinic Foundation **Kidney** – Kaleida Health (Buffalo), University of Wisconsin, Cleveland Clinic Foundation, Erie County Medical Center (Buffalo), Strong Memorial Hospital (Rochester) **Liver** – Children's Hospital of Pittsburgh, University of Wisconsin, Cleveland Clinic Foundation, Strong Memorial Hospital **Kidney/Pancreas** – Kaleida Health (Buffalo), University of Wisconsin, Erie County Medical Center (Buffalo), Strong Memorial Hospital (Rochester) **Neonatal Critical Care** – Kaleida Health (Buffalo), Strong Memorial Hospital (Rochester) Contact us for details and for any additional facilities not listed.
Travel benefit/services overseas	You have worldwide coverage for emergency care services. This does not include travel-related expenses. Contact us for details.

Section 5(i). Point of Service benefits

Facts about this Plan's Point of Service (POS) option

Point of Service (POS) provides you flexibility in accessing covered care from non-participating providers. When you receive medically necessary non-emergency covered out-of-network services, you are subject to the deductibles, coinsurance, and provider charges that exceed the Plan reimbursement and benefit limitations described below. Certain benefits are excluded from POS coverage and we list them in this section under "What is not covered". The exclusions that appear on page 93 in Section 6 General exclusions - things we don't cover, still apply to POS benefits.

What is covered

POS benefits apply to any medically necessary non-emergency health care service listed as covered in this brochure that you receive from a non-Plan provider or facility, except for the services listed below under "What is not covered."

Your liability for covered out-of-network services is higher than the HMO benefits if you use the POS benefits. Under the POS benefits, you must satisfy a deductible of $500 per member per calendar year. Under Self and Family enrollment, 2 family members must each satisfy a $500 annual deductible. After you have satisfied the annual deductible, we reimburse 75% of our allowable charges for covered medical services. We reimburse 50% of the allowable charges for covered durable medical equipment. In addition to the annual deductible and coinsurance, you are also responsible for any amount that exceeds our allowance for covered services. Our allowance is based on the lesser of the non-plan provider's charges, the negotiated rate, or the 90th percentile of Usual, Customary or Reasonable (UCR).

Certain services require precertification. If you do not obtain our prior approval, we may not cover the service at all. If we determine that the service is a "covered service," we will apply a precertification penalty. Please read the section that appears below about precertification.

The out-of-pocket maximum for POS benefits is $2,000 for Self Only and $4,000 for Self and Family per calendar year. Only POS coinsurance applies to the out-of-pocket maximum; in-network co-payments, deductibles, and penalties do not apply. Once you have satisfied the out-of-pocket maximum, you will not pay coinsurance for covered POS benefits. However, you will still owe any amount of the provider's charge that exceeds our allowance or any applied penalties.

Limitations/requirements

- You must have a PCP and notify us of the PCP that you have chosen.
- You must report services that you receive from a non-Plan provider or facility to your primary care physician no later than seventy-two (72) hours after receiving medical services.
- You are responsible for filing a claim form with us for all services that you receive from a non-Plan provider or facility. The claim form must be submitted within ninety (90) days after the date you receive medically necessary health care services and must include all necessary information so we may process the claim.
- Services ordered by a non-Plan provider are out-of network services. All out-of-network services are subject to the deductible and coinsurance that we describe under the POS benefits. This includes services ordered by a non-Plan provider and performed by a Plan provider or at a Plan facility.
- Benefit limitations on health care services listed in this plan brochure will be applied to all such health care services, regardless of whether the health care services are rendered by Plan or non-Plan providers or facilities.

Precertification

We must determine whether or not certain services are medically necessary before you receive them. You must obtain precertification from us for all inpatient and certain outpatient services that you receive from a non-Plan provider or facility. We list those out-of network services that require precertification at the end of this section. Before you receive a service that requires precertification, you must contact our Member Services Department at (716) 631-8701 or 1-800-501-3439.

You are ultimately responsible for requesting precertification from us for out-of-network services. Failure to obtain precertification will result in a drastic reduction of benefits or a complete denial of coverage. When you do not obtain precertification for a covered service that requires it, we will reduce our allowance by 50% before calculating our payment. Under POS, we base our allowance on the lesser of the non-Plan provider's or facility's charges, the negotiated rate, or the usual, customary and reasonable (UCR) charge at the 90th percentile. The additional 50% that you must pay is a penalty. It is not reduced by the POS coinsurance, out-of-pocket maximum, or annual deductible. You must pay the balance after our payment up to the provider's charges.

After receiving your request for precertification, our Medical Director will make the determination as to whether a service is medically necessary within three (3) business days from the date we receive the precertification request and all necessary documentation for review. We strongly recommend that you contact us to confirm whether or not a service is covered and requires precertification before you have the service.

The following services require precertification prior to receiving POS benefits:

- Elective facility/inpatient admissions (excluding maternity delivery)
- Reconstructive Surgery
- Accidental dental injuries
- DME items:
  - BiPAP S/BiPAP ST
  - Bone Growth Stimulator
  - Breast pumps
  - CPAP
  - CPM
  - Light Boxes
  - LTV Ventilators
  - Ventilators
- Growth Hormone (must be dispensed at a Plan pharmacy)
- Home infusion services
- Medical supplies
- Pulmonary rehabilitation therapy
- Skilled home care services (including home infusion services) prior to the beginning of the initial visit
- Certain drugs in accordance with the Independent Health Prescription Drug Formulary

What is not covered

- Primary and preventive care (except for pap smear, mammography, and maternity care)
- Prescription Drugs and other services listed in Section 5(f)
- Routine vision care
- Post cataract eyeglasses or contact lenses. Please see Section 5 Non-FEHB benefits available to Plan members.
- Prosthetic devices and medical appliances (except for prostheses after mastectomy)
- All other services listed under "What is not covered" throughout the brochure including the exclusions that appear in Section 6 General Exclusions

How to obtain benefits

You must submit an itemized bill to us. We will review the itemized bill to determine charges we will pay and charges for which you are responsible. If you have not met your entire deductible, the remaining balance of the deductible will be applied to our allowed charges. If you have met your deductible, then you are responsible for paying a percentage of our allowed charges based on your coinsurance level. Once you have met your total out-of-pocket maximum, we will pay the lesser of the billed charges, the negotiated rate or UCR at the 90th percentile for the services rendered, and you will be responsible for any remaining balance.

Submit your claims to:

Independent Health

P.O. Box 9066

Buffalo, NY 14231-1642

Attn: Claims Department

Section 5. High Deductible Health Plan Benefits

The enrollment codes for our HDHP coverage are QA4 (Self Only) and QA5 (Self and Family). We have provided a benefits overview on our HDHP with HSA or HRA that begins on page 51. Please read the benefits section carefully so that you understand our HDHP HSA/HRA coverage.

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Section 5. High Deductible Health Plan Benefits Overview

This Plan offers a High Deductible Health Plan (HDHP). We call this plan iDirect. The HDHP benefit package is described in this section. Make sure that you review the benefits that are available under the benefit product in which you are enrolled.

HDHP Section 5, which describes the HDHP benefits, is divided into subsections. Please read ***Important things you should keep in mind*** at the beginning of each subsection. Also read the General Exclusions in Section 6; they apply to benefits in the following subsections. To obtain claim forms, claims filing advice, or more information about HDHP benefits, contact us at (716) 631-2661 or 1-800-257-2753. You may also visit our Web site at www.independenthealth.com.

Our HDHP option provides comprehensive coverage and a tax-advantaged way to help you build savings for future medical expenses. The Plan gives you greater control over how you use your health care benefits. You may seek covered care from our network of participating providers (in-network) or from non-participating providers (out-of-network).

When you enroll in this HDHP, we establish either a Health Savings Account (HSA) or a Health Reimbursement Arrangement (HRA) for you. Once we have confirmed your eligibility into an HSA or HRA we automatically pass through a portion of the total health Plan premium to your HSA or HRA based upon your eligibility.

We do not apply the deductible to in-network preventive care services. We do apply the deductible to all other medical and prescription care services before we will pay benefits. You can choose to use funds available in your HSA or HRA for qualified medical expenses or you can allow your savings to continue to grow.

This HDHP includes five key components: preventive care; traditional medical coverage health care that is subject to the deductible; savings; catastrophic protection for out-of-pocket expenses; and health education resources and account management tools.

- **Preventive care**

  You have access to preventive care services, such as periodic health evaluations (e.g., annual physicals), screening services (e.g., mammograms), well-child care, and immunizations from within our network or outside our network. Preventive care services are not subject to a deductible if you use an in-network provider. Please see Section 5 Preventive care *for a complete description of the preventive care benefits.*

- **Traditional medical coverage**

  After you have paid the Plan's deductible, we pay benefits under traditional medical coverage described in Section 5.

  Covered services include:

  - Medical services and supplies provided by physicians and other health care professionals
  - Surgical and anesthesia services provided by physicians and other health care professionals
  - Hospital services; other facility or ambulance services
  - Emergency services/accidents
  - Mental health and substance abuse benefits
  - Prescription drug benefits
  - Accidental injury dental benefits

- **Dental fund**

  Your dental fund is an established annual benefit amount that is available for you to use to pay for dental expenses rendered by any licensed dentist. The dental fund is not subject to the deductible or the annual catastrophic maximum for out-of-pocket maximums. You determine how you will use your dental fund. Any unused amount at the end of the year will not roll over to subsequent year(s). You cannot use the dental fund for cosmetic dentistry (see page 89 for more details).

- **Savings**

  Health Savings Accounts or Health Reimbursement Arrangements provide a means to help you pay out-of-pocket expenses (see page 54 for more details).

- **Health Savings Accounts (HSA)**

By law, HSAs are available to members who are not enrolled in Medicare, cannot be claimed as a dependent on someone else's tax return, have not received VA benefits within the last three months or do not have other health insurance coverage other than another high deductible health plan. In 2009, for each month you are eligible for an HSA premium pass through, we will contribute to your HSA $66.41 per month for a Self Only enrollment or $166.66 per month for a Self and Family enrollment. In addition to our monthly contribution, you have the option to make additional tax-free contributions to your HSA, as long as total contributions do not exceed the limit established by law, which is the amount of the annual maximum contribution ($3,000 for Self only and $5,950 for Self and Family enrollment). See maximum contribution information on page 55. You can use funds in your HSA to help pay your health plan deductible. You own your HSA, so the funds can go with you if you change plans or employment.

Federal tax tip: There are tax advantages to fully funding your HSA as quickly as possible. Your HSA contribution payments are fully deductible on your Federal tax return. By fully funding your HSA early in the year, you have the flexibility of paying medical expenses from tax-free HSA dollars or after tax out-of-pocket dollars. If you don't deplete your HSA and you allow the contributions and the tax-free interest to accumulate, your HSA grows more quickly for future expenses.

HSA features include:

- Your HSA is administered by Mellon Bank. They govern your HSA account in regards to options and fees;
- Your contributions to the HSA are tax deductible;
- Your HSA earns tax-free interest;
- You may establish pre-tax HSA deductions from your paycheck to fund your HSA up to IRS limits using the same method that you use to establish other deductions (i.e., Employee Express, MyPay, etc.)
- Investment options are available on your HSA account and are managed by you through Mellon Bank once contributions exceed the required transactional balance. Investment earnings are also tax free;
- You can make tax-free withdrawals for qualified medical expenses for you, your spouse and dependents (see IRS publication 502 for a complete list of eligible expenses);
- Your unused HSA funds and interest accumulate from year to year;
- It's portable - the HSA is owned by you and is yours to keep, even when you leave Federal employment or retire; and
- When you need it, funds up to the actual HSA balance are available.

Important consideration if you want to participate in a Health Care Flexible Spending Account: If you are enrolled in this HDHP with a Health Savings Account (HSA), and start or become covered by a health care flexible spending account (such as FSAFEDS offers – see Section 12), this HDHP cannot continue to contribute to your HSA. Instead, when you inform us of your coverage in an FSA, we will establish an HRA for you.

- **Health Reimbursement Arrangements (HRA)**

If you aren't eligible for an HSA, for example you are enrolled in Medicare or have another health plan, we will administer and provide an HRA instead. You must notify us that you are ineligible for an HSA.

In 2009, we will give you an HRA credit of $66.41 per month for a Self Only enrollment and $166.66 per month for a Self and Family enrollment. You can use funds in your HRA to help pay your health plan deductible and/or for certain expenses that don't count toward the deductible.

HRA plans are sanctioned and regulated by the IRS. All procedures followed are required by the Federal IRS regulations. In order to maintain the tax-free status of this money, all IRS rules must be followed. As a result, in order to be reimbursed for an expense if you file a claim, you will need to submit copies of your receipts of provider billing statement. In the case where you use the debit card provided with the HRA plan to pay your provider, you may be asked to submit copies of your receipts in order to meet IRS guidelines.

Therefore, you must keep copies of all receipts and itemized statements (not the credit card receipt) for each purchase. In some cases, you'll receive a letter requesting the documentation and you will be required to submit this information to substantiate the expense according to
IRS regulations.

HRA features include:

- For our HDHP option, the HRA is administered by Independent Health;
- Your HRA credit is available to you as it accumulates from month to month;
- Tax-free credit can be used to pay for qualified medical expenses for you and any individuals covered by this HDHP;
- Unused credits carryover from year to year;
- HRA credit does not earn interest;
- HRA credit is forfeited if you leave Federal employment or switch health insurance plans; and
- An HRA does not affect your ability to participate in an FSAFEDS Health Care Flexible Spending Account (HCFSA). However, you must meet FSAFEDS eligibility requirements.

- **Catastrophic protection for out-of-pocket expenses**

Your annual maximum for out-of-pocket expenses (deductibles, coinsurance and copayments) for covered services is limited to $5,000 per person or $10,000 per family enrollment. An individual in a family does not stop at the self only out-of-pocket maximum. However, certain expenses do not count toward your out-of-pocket maximum and you must continue to pay these expenses once you reach your out-of-pocket maximum (such as expenses in excess of the Plan's allowable amount or benefit maximum). Refer to Section 4 Your catastrophic protection out-of-pocket maximum and HDHP Section 5 *Traditional medical coverage subject to the deductible* for more details.

- **Health education resources and account management tools**

HDHP Section 5(i) describes the health education resources and account management tools available to you to help you manage your health care and your health care dollars.

Section 5. Savings – HSAs and HRAs

Feature Comparison	Health Savings Account (HSA)	Health Reimbursement Arrangement (HRA) Provided when you are ineligible for an HSA
Administrator	The Plan will facilitate an HSA for you with Mellon Bank. Mellon HSA Solution is this HDHP's fiduciary (an administrator, trustee or custodian as defined by Federal tax code and approved by IRS). The address for Mellon HSA Solution is: Mellon HSA Solution P.O. Box 438 Woburn, MA 01888-4038 The telephone number is 1-877-635-5472	The Plan will administer HRA credits on your behalf.
Fees	Set-up Fee: $15.00 $3.90 per month administrative fee charged by the fiduciary and taken out of the account balance until it reaches $1,000. The above fees are subject to change without notice.	None.
Eligibility	You must: • Enroll in this HDHP • Have no other health insurance coverage (does not apply to specific injury, accident, disability, dental, vision or long-term care coverage) • Not be enrolled in Medicare • Not be claimed as a dependent on someone else's tax return • Not have received VA benefits in the last three months • Completion of all banking paperwork and confirmation of your HSA eligibility is required prior to receiving the funds that FEHB has approved for deposit into your HSA account. An HSA or HRA can not be established without your written consent.	You must enroll in this HDHP. Eligibility for credits is determined on the first day of the month following your effective day of enrollment and will be prorated for length of enrollment. Confirmation of your ineligibility to establish an HSA will result in the establishment of our HRA.

Funding	If you are eligible for HSA contributions, a portion of your monthly health plan premium is deposited to your HSA each month. Premium pass through contributions are based on the first day of the month following your effective date of enrollment in the HDHP. In addition, you may establish pre-tax HSA deductions from your paycheck to fund your HSA up to IRS limits using the same method that you use to establish other deductions (i.e., Employee Express, MyPay, etc.).	If you are eligible for HRA credits, a portion of your monthly health plan premium is deposited to your HRA each month. Premium pass through credits are based on the first day of the month following your effective date of enrollment in the HDHP.
• **Self Only enrollment**	For 2009, a monthly premium pass through of $66.41 will be made by the HDHP directly into your HSA each month.	For 2009, a monthly premium pass through of $66.41 will be made by the HDHP directly into your HRA each month.
• **Self and Family enrollment**	For 2009, a monthly premium pass through of $166.66 will be made by the HDHP directly into your HSA each month.	For 2009, a monthly premium pass through of $166.66 will be made by the HDHP directly into your HRA each month.
Contributions/credits	The maximum that can be contributed to your HSA is an annual combination of HDHP premium pass through and enrollee contribution funds, which when combined, do not exceed the maximum contribution amount set by the IRS of $3,000 for Self Only and $5,950 for Self and Family. If you enroll during Open Season, you are eligible to fund your account up to the maximum contribution limit set by the IRS. To determine the amount you may contribute, subtract the amount the Plan will contribute to your account for the year from the maximum allowable amount. You are eligible to contribute up to the IRS limit for partial year coverage as long as you maintain your HDHP enrollment through the testing period. The testing period requires that you remain an eligible individual in December of the partial year through December of the following year. If you do not remain an eligible individual, a portion of your tax reduction is lost and a 10% penalty is imposed. There is an exception for death or disability. If you do not remain an eligible individual through the testing period, the maximum contribution amount is reduced by 1/12 for each month you were ineligible to contribute to an HSA.	The maximum that can be contributed to your HRA is an annual amount of HDHP premium pass through credits for each month you are eligible. The HRA does not earn interest.

	• To determine the maximum allowable contribution, take the amount of your deductible divided by 12, times the number of full months enrolled in the HDHP. Subtract the amount the Plan will contribute to your account for the year from the maximum allowable contribution to determine the amount you may contribute. • You may rollover funds you have in other HSAs to this HDHP HSA (rollover funds do not affect your annual maximum contribution under this HDHP). • HSAs earn tax-free interest (does not affect your annual maximum contribution). • Catch-up contribution discussed on page 58.	
• **Self Only enrollment**	The total contribution to your HSA may not exceed the annual maximum of $3,000	You cannot contribute to the HRA
• **Self and Family enrollment**	The total contribution to your HSA cannot exceed the annual maximum of $5,950	You cannot contribute to the HRA.
Access funds	You may access your funds by using your Health Saving Account debit card at point of service, by electronic transfer to another account, or by check	You may access your funds by using your HRA debit card at point of service, reimbursement via check or direct deposit for claims submitted manually for processing.
Distributions/with-drawals • **Medical**	You can pay the out-of-pocket expenses for yourself, your spouse or your dependents (even if they are not covered by the HDHP) from the funds available in your HSA. See IRS Publication 502 for a list of eligible medical expenses, including over-the-counter drugs.	You can pay the out-of-pocket expenses for qualified medical expenses for individuals covered under the HDHP. Non-reimbursed qualified medical expenses are allowable if they occur after the effective date of your enrollment in this Plan. See *Availability of funds* below for information on when funds are available in the HRA. See IRS Publication 502 for a list of eligible medical expenses. Over-the-counter drugs and Medicare premiums are also reimbursable. Medical insurance premiums are not reimburseable.
• **Non-medical**	If you are under age 65, withdrawal of funds for non-medical expenses will create a 10% income tax penalty in addition to any other income taxes you may owe on the withdrawn funds. When you turn age 65, distributions can be used for any reason without being subject to the 10% penalty, however they will be subject to ordinary income tax.	Not applicable – distributions will not be made for anything other than non-reimbursed qualified medical expenses (as defined by IRS Code 213 (d)).

Availability of funds	Employees have access to the funds that have been deposited in their account to date. Funds are not available for withdrawal until all the following steps are completed: Your enrollment in this HDHP is effective (effective date is determined by your agency in accordance with the event permitting the enrollment change). The HDHP receives record of your enrollment and initially establishes your HSA account with the fiduciary by providing information it must furnish and by contributing the minimum amount required to establish an HSA. The Plan will contribute funds once you have verified your selection of an HSA or HRA. Forms will be provided to you to complete for this verification and must be returned to us for contributions to begin. You have completed and returned the requested paperwork required by the fiduciary to establish your account.	Funds are not available for withdrawal until all the following steps are completed: Your enrollment in this HDHP is effective (effective date is determined by your agency in accordance` with the event permitting the enrollment change). The HDHP receives record of your enrollment and initially establishes your HRA account and the initial premium pass through credit is applied to your account The plan will contribute funds in your HRA once you have verified your ineligible for an HSA. Forms will be provided to you to complete for this verfication and must be returned to us for contribution to begin. Employees have access to the funds that have been deposited in their account to date.
Account owner	FEHB enrollee	HDHP
Portable	You can take this account with you when you change plans, separate or retire. If you do not enroll in another HDHP, you can no longer contribute to your HSA. See page 54 for HSA eligibility.	If you retire and remain in this HDHP, you may continue to use and accumulate credits in your HRA. If you terminate employment or change health plans, only eligible expenses incurred while covered under the HDHP will be eligible for reimbursement subject to timely filing requirements. Unused funds are forfeited.
Annual rollover	Yes, accumulates without a maximum cap.	Yes, accumulates without a maximum cap.

If You Have an HSA

If you have an HSA

- **Contributions**

  All contributions are aggregated and cannot exceed the maximum contribution amount set by the IRS. You may contribute your own money to your account through payroll deductions, or you may make lump sum contributions at any time, in any amount not to exceed an annual maximum limit. If you contribute, you can claim the total amount you contributed for the year as a tax deduction when you file your income taxes. You receive tax advantages in any case. You have until April 15 of the following year to make HSA contributions for the current year.

  If you enroll during Open Season, you are eligible to fund you account up to the maximum contribution limit set by the IRS. To determine the amount you may contribute, subtract the amount the Plan will contribute to your account for the year from the maximum allowable contribution.

  You are eligible to contribute up to the IRS limit for partial year coverage as long as you maintain your HDHP enrollment through the testing period. The testing period requires that you remain an eligible individual in December of the partial year through the December of the following year. If you do not remain an eligible individual, a portion of your tax reduction is lost and a 10% penalty is imposed. There is an exception for death and disability.

  If you do not remain an eligible individual through the testing period, the maximum contribution amount is reduced by 1/12 for each month you were ineligible to contribute to an HSA.

- **Catch-up contributions**

  If you are age 55 or older, the IRS permits you to make additional "catch-up" contributions to your HSA. The allowable catch-up contributions will be $1,000 in 2009 and beyond. Contributions must stop once an individual is enrolled in Medicare. Additional details are available on the U.S. Department of Treasury Web site at www.ustreas.gov/offices/public-affairs/hsa/.

- **If you die**

  If you do not have a named beneficiary, if you are married, it becomes your spouse's HSA; otherwise, it becomes part of your taxable estate.

- **Qualified expenses**

  You can pay for "qualified medical expenses," as defined by IRS Code 213(d). These expenses include, but are not limited to, medical plan deductibles, diagnostic services covered by your plan, long-term care premiums, health insurance premiums if you are receiving Federal unemployment compensation, certain over-the-counter drugs, LASIK surgery, and some nursing services.

  When you enroll in Medicare, you can use the account to pay Medicare premiums or to purchase health insurance other than a Medigap policy. You may not, however, continue to make contributions to your HSA once you are enrolled in Medicare.

  For a detailed list of IRS-allowable expenses, request a copy of IRS Publication 502 by calling 1-800-829-3676, or visit the IRS Web site at www.irs.gov and click on "Forms and Publications." Note: Although certain over-the-counter drugs are not listed in the publication, they are reimbursable from your HSA. Also, insurance premiums are reimbursable under limited circumstances.

- **Non-qualified expenses**

  You may withdraw money from your HSA for items other than qualified health expenses, but it will be subject to income tax and if you are under 65 years old, an additional 10% penalty tax on the amount withdrawn.

- **Tracking your HSA balance**

  You will receive a periodic statement that shows the "premium pass through", withdrawals, and interest earned on your account.

- **Minimum reimbursements from your HSA** You can request reimbursement in any amount.

If You Have an HRA

- **Why an HRA is established**

  If you don't qualify for an HSA when you enroll in this HDHP, or later become ineligible for an HSA, we will establish an HRA for you. If you are enrolled in Medicare or are covered under another Health Plan, you are ineligible for an HSA and we will establish an HRA for you. You must tell us if you become ineligible to contribute to an HSA.

- **How an HRA differs**

  Please review the chart on page 54 which details the differences between an HRA and an HSA. The major differences are:

  - You cannot make contributions to an HRA
  - Funds are forfeited if you leave the HDHP
  - An HRA does not earn interest, and
  - HRAs can only pay for qualified medical expenses, such as deductibles, copayments, and coinsurance expenses, for individuals covered by the HDHP. FEHB law does not permit qualified medical expenses to include services, drugs, or supplies related to abortions, except when the life of the mother would be endangered if the fetus were carried to term, or when the pregnancy is the result of an act of rape or incest.

- **Contributions**

  You cannot make contributions at any time to your HRA.

- **Catch-up contributions**

  Not applicable because you cannot make contributions.

- **Qualified expenses**

  You can pay for "qualified medical expenses," as defined by IRS Code 213(d). These expenses include, but are not limited to, medical plan deductibles, diagnostic services, prescription drugs, covered by your plan, long-term care premiums, health insurance premiums if you are receiving Federal unemployment compensation, certain over-the-counter drugs, LASIK surgery, and some nursing services.

  For a detailed list of IRS-allowable expenses, request a copy of IRS Publication 502 by calling 1-800-829-3676, or visit the IRS Web site at www.irs.gov and click on "Forms and Publications." Note: Although certain over-the-counter drugs are not listed in the publication, they are reimbursable from your HRA.

- **Non-qualified expenses**

  You may only pay for qualified medical expenses, as defined by the IRS Code 213(d), such as deductibles, copayments, and coinsurance expenses, for individuals covered by the HDHP.

- **Tracking your HRA balance**

  You will receive periodic statements that shows your "premium pass through"and withdrawals of your available HRA credits.

Section 5. Preventive care

Important things you should keep in mind about these benefits:

- In-network preventive care services listed in this Section are not subject to the deductible. You only owe your copay or coinsurance for covered in-network preventive care services.
- Out-of-network preventive care services listed in this section are subject to the deductible and coinsurance. You will owe all charges in excess of our payment for out-of-network services.
- You must satisfy an annual deductible of $2,000 under Self Only or $4,000 under Self and Family for medical services including out-of-network preventive care services.
- For all other covered expenses, please see Section 5 – Traditional medical coverage subject to the deductible.

Benefit Description	You pay
Preventive care, adult	**High Option**
• Routine physical examination • Routine well-woman examination - Two OB/GYN visits annually	In-Network: $15 per office visit Out-of-Network: Deductible and 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.
• Maternity care limited to: - Routine prenatal office visits - One routine postnatal office visit Note: The preventive care benefits will not apply to complications of pregnancy. See Section 5(a) Maternity Care for information on the physician's charges for delivery, anesthesia, laboratory tests, and radiological procedures. See Section 5(c) for information on hospitalization.	In-Network: Nothing Out-of-Network: Deductible and 40% coinsurance, plus any difference between our payment and the billed charges
Routine screenings, limited to: • Blood tests - Lead screening during a pregnancy - Rh screening - HIV screening - Rubella screening - Lipid panel - General health panel with basic metabolic panel - Hemoglobin and Hematocrit • Routine Prostate Specific Antigen (PSA) test — one annually for men age 50 and older • Routine Pap test • Chlamydia screening • HPV screening	In-Network: Nothing Out-of-Network: Deductible and 40% coinsurance, plus any difference between our payment and the billed charges

Preventive care, adult - continued on next page

Benefit Description	You pay
Preventive care, adult (cont.)	**High Option**
• Colorectal Cancer Screening, including: - Fecal occult blood test yearly starting at age 50	In-Network: Nothing Out-of-Network: Deductible and 40% coinsurance, plus any difference between our payment and the billed charges
- Sigmoidoscopy screening — every five years starting at age 50 - Colonoscopy screening — every 10 years starting at age 50	In-Network: 20% coinsurance Out-of-Network: Deductible and 40% coinsurance, plus any difference between our payment and the billed charges
Routine immunizations endorsed by the Centers for Disease Control and Prevention (CDC), such as:	In-Network: $15 per office visit Out-of-Network: Deductible and 40% coinsurance, plus any difference between our payment and the billed charges
• Routine bone density screening for: - Women age 65 and over - Women at increased risk age 60 and over • Routine mammogram — covered for women age 35 and older, as follows: - From age 35 through 39, one during this five year period - From age 40 through 64, one every calendar year - At age 65 and older, one every two consecutive calendar years • Abdominal aortic aneurysm screening	In-Network: 20% coinsurance Out-of-Network: Deductible and 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Physical examination, immunizations, and/or services required for obtaining or continuing employment or insurance, attending schools or camp, or travel.*	*All charges*
Preventive care, children	**High Option**
Professional services, such as: • Well-child visits for routine examinations, immunizations and care • Childhood immunizations recommended by the American Academy of Childhood Immunization Practices (ACIP)	In-Network: Nothing Out-of-Network: Deductible and 40% coinsurance, plus any difference between our payment and the actual charges
Routine screenings, such as: • Blood tests - Lead screening during childhood - Rh screening - Rubella screening - Lipid panel - General health panel with basic metabolic panel - Hemoglobin and Hematocrit • Routine Pap test	In-Network: Nothing Out-of-Network: Deductible and 40% coinsurance applies, plus any difference between our payment and the actual charges

Preventive care, children - continued on next page

Benefit Description	You pay
Preventive care, children (cont.)	**High Option**
Not covered: • *Physical exams required for obtaining or continuing employment or insurance, attending schools or camp, or travel.* • *Immunizations, boosters, and medications for travel.*	*All charges*

Section 5. Traditional medical coverage subject to the deductible

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- In-network preventive care is not subject to the calendar year deductible.
- Traditional medical coverage is subject to the annual deductible. The deductible is $2,000 for Self Only (QA4) or $4,000 for Self and Family (QA5). Under Self and Family enrollment (QA5), the deductible must be satisfied in full by one or more family members before we will begin paying benefits. The deductible applies to all benefits except covered in-network preventive care.
- You limit your liability for covered services by using providers who are part of the Independent Health network. In-network benefits apply only when you use a network provider. Out-of-network benefits apply to services from providers that are not part of the network.
- We have an annual catastrophic protection maximum of $5,000 under Self Only enrollment or $10,000 under Self and Family enrollment. After you meet the annual out-of-pocket maximum, we will eliminate the coinsurance and copayments that you pay for covered services during the remainder of that calendar year. The out-of-pocket maximum under Self and Family enrollment must be satisfied in full. Certain expenses do not count toward your out-of-pocket maximum and you must continue to pay these expenses once you reach your out-of-pocket maximum.
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.

Benefit Description	You pay After the calendar year deductible...
Deductible before Traditional medical coverage begins	**High Option**
The deductible applies to almost all benefits in this Section. When you receive covered services from network providers, you pay the allowable charges until you meet the deductible.	100% of allowable charges, until you meet the deductible of $2,000 under Self Only enrollment or $4,000 under Self and Family enrollment. You may choose to pay the deductible from your HSA/HRA or you can pay for it out-of-pocket.
After you meet the deductible, we pay the allowable charge (less your coinsurance or copayment) until you meet the annual catastrophic out-of-pocket maximum.	In-network: After you meet the deductible, you pay the indicated coinsurance or copayments for covered services. You may choose to pay the coinsurance and copayments from your HSA/HRA or you can pay for them out-of-pocket. Out-of-network: After you meet the deductible, you pay the indicated coinsurance plus any difference between our Plan allowance and the billed amount. You may choose to pay the coinsurance or any difference between our Plan allowance and the billed amount from your HSA/HRA or you can pay for them out-of-pocket.

Section 5(a). Medical services and supplies provided by physicians and other health care professionals

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- You limit your liability for covered services by using providers who are part of the Independent Health network. In-network benefits apply only when you use a network provider. Out-of-network benefits apply to services from providers that are not part of the network.
- The deductible is $2,000 for Self Only (QA4) and $4,000 for Self and Family (QA5) each calendar year. Under Self and Family enrollment (QA5), the deductible must be satisfied in full by one or more family members before we will begin paying benefits. The deductible applies to all benefits except covered in-network preventive care.
- After you have satisfied your annual deductible, coverage begins for traditional medical services.
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare. The amounts listed below are for the charges billed by a physician or other health care professional for your surgical care.
- Look in Section 5(c) for charges associated with the facility (i.e. hospital, surgical center, etc.).

Benefit Description	You pay
Diagnostic and treatment services	
Professional services of physicians • In a Physician's office for: - Health evaluation and management - Office medical consultation - Second surgical opinion • In an urgent care center	In-Network: $15 per office visit Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.
• During a hospital stay • Initial examination of a newborn • In a skilled nursing facility	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Lab, X-ray and other diagnostic tests	
Tests, such as: • Blood tests • Urinalysis • Non-routine pap tests • Pathology	In-Network: Nothing Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Radiology procedures such as: • X-rays	In-Network: 20% coinsurance

Lab, X-ray and other diagnostic tests - continued on next page

Benefit Description	You pay
Lab, X-ray and other diagnostic tests (cont.)	
• CAT Scans/MRI • Ultrasound • Non-routine mammograms	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Diagnostic tests, such as: • Electrocardiogram and EEG	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Maternity care	
Maternity (obstetrical) care, such as: • Delivery and inpatient hospital visits • Newborn care in a hospital setting • Anesthesia services Here are some things to keep in mind: • You do not need to precertify your normal delivery. See page 78 for other circumstances, such as extended stays for you or your baby. • You may remain in the hospital up to 48 hours after a regular delivery and 96 hours after a cesarean delivery. We will extend your inpatient stay if medically necessary. • We cover routine nursery care of the newborn child during the covered portion of the mother's maternity stay. We will cover other care of an infant who requires non-routine treatment only if we cover the infant under a Self and Family enrollment. Surgical benefits, not maternity benefits, apply to circumcision. • We pay hospitalization and surgeon services (delivery) the same as for illness and injury. See Hospital benefits (Section 5(c)) and Surgery benefits (Section 5(b)). • Routine prenatal visits and 1 post natal visit are covered under the HDHP preventive care benefits (see Section 5 Preventive Care Benefits).	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Routine sonograms to determine fetal age, size or sex.*	*All charges*
Family planning	
A range of voluntary family planning services, limited to: • Intrauterine devices (IUDs) • Diaphragms Note: We cover oral contraceptives under the prescription drug benefit.	In-Network: Nothing Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
• Voluntary sterilization (See Surgical procedures Section 5(b)) • Surgically implanted contraceptives • Injectable contraceptive drugs (such as Depo-Provera)	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered:	*All charges*

Family planning - continued on next page

Benefit Description	You pay
Family planning (cont.)	
• *Reversal of voluntary surgical sterilization* • *Genetic counseling*	*All charges*
Infertility services	
We will cover medical or surgical procedures which are medically necessary to diagnose or correct a malformation, disease, or dysfunction, resulting in infertility, and diagnostic tests and procedures that are necessary to determine infertility. We limit infertility coverage to correctable medical conditions that have resulted in infertility. Your applicable office visit copayment or outpatient facility coinsurance (inpatient is covered in full) will depend on the type and location of treatment or services [See Section 5(a), 5(b) and 5(c)]. Correctable medical conditions include: endometriosis, uterine fibroids, adhesive disease, congenital septate uterus, recurrent spontaneous abortions, and varicocele. In order to be eligible for Infertility services, you must: • be at least 21 years of age and no older than 44; except for diagnosis and treatment for a correctable medical condition which incidentally results in infertility • have a treatment plan submitted in advance to us by a physician who has the appropriate training, experience and meets other standards for diagnosis and treatment of infertility as promulgated by New York State • have a treatment plan that is in accordance with standards and guidelines established and adopted by the American College of Obstetricians and Gynecologists, the American Society for Reproductive Medicine, and the American Hospital Formulary Service	In-Network: $15 per office visit; 20% coinsurance for medical/surgical procedures and radiology; nothing for laboratory Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.
Covered diagnostic tests and procedures including but not limited to the following procedures: • hysterosalpingogram • hysteroscopy • endometrial biopsy • laparoscopy • sonohysterogram • post coital tests • testis biopsy • semen analysis • blood tests • ultrasound • sperm washing • electroejaculation We cover the following types of artificial insemination: • intravaginal insemination (IVI) • intracervical insemination (ICI) • intrauterine insemination (IUI)	In-Network: $15 per office visit; 20% coinsurance for medical/surgical procedures and radiology; nothing for laboratory Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges

Infertility services - continued on next page

Benefit Description	You pay
Infertility services (cont.)	
Note: The number of allowable artificial insemination procedures is based on accepted medical practices. • Fertility drugs Note: We cover self injectable fertility drugs and oral fertility drugs under the prescription drug benefit.	In-Network: $15 per office visit; 20% coinsurance for medical/surgical procedures and radiology; nothing for laboratory Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Services for an infertility diagnosis as a result of current or previous sterilization procedures(s) and/or procedures(s) for reversal of sterilization.* • *Assisted reproductive technology (ART) procedures, such as:* - *in vitro fertilization* - *embryo transfer, gamete intra-fallopian transfer (GIFT) and zygote intra-fallopian transfer (ZIFT)* • *Services and supplies related to ART procedures* • *Costs associated with the collection and donation of sperm* • *Cost of donor sperm or donor egg and all related services* • *Over-the-counter medications, devices or kits, such as ovulation kits* • *Cloning or any services incident to cloning*	*All charges*
Allergy care	
• Testing and treatment	In-Network: $15 per office visit Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.
• Allergy serum	In-Network: Nothing Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: *Provocative food testing and sublingual allergy desensitization*	*All charges*

Benefit Description	You pay
Treatment therapies	
Chemotherapy and radiation therapy Note: High dose chemotherapy in association with autologous bone marrow transplants is limited to those transplants listed under Organ/Tissue Transplants on page 75. • Respiratory and inhalation therapy • Cardiac rehabilitation following a heart transplant, bypass surgery or a myocardial infarction is provided for up to 36 sessions. • Dialysis – hemodialysis and peritoneal dialysis • Intravenous (IV)/Infusion Therapy – Home IV and antibiotic therapy • Growth hormone therapy (GHT) • Injections administered in a physician's office (for example, B-12 and steroid injections) Note: Growth hormone is covered under the prescription drug benefits. Note: – We only cover GHT when you precertify the treatment. We will ask you to submit information that establishes that the GHT is medically necessary. Ask us to authorize GHT before you begin treatment; otherwise, we will only cover GHT services from the date you submit the information. If you do not ask or if we determine GHT is not medically necessary, we will not cover the GHT or related services and supplies. See Services requiring our prior approval in Section 3.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Physical and occupational therapies	
Up to 60 combined in and out-of-network visits per calendar year: • qualified physical therapists • occupational therapists Note: We only cover therapy to restore bodily function when there has been a total or partial loss of bodily function due to illness or injury. Note: The 60-visit limit applies to any combination of physical, occupational, and/or speech therapy. We will not cover more than a total of 60 visits between physical, occupational, and speech therapy.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Long-term rehabilitative therapy* • *Exercise programs*	*All charges*
Speech therapy	
• 60 total combined in and out-of-network visits per calendar year for the services from a licensed speech therapist Note: The 60-visit limit applies to any combination of physical, occupational, and/or speech therapy. We will not cover more than a total of 60 visits between physical, occupational, and speech therapy.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges

Benefit Description	You pay
Hearing services (testing, treatment, and supplies)	
• First hearing aid and testing only when necessitated by accidental injury • Hearing exams for children through age 22	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *All other hearing testing* • *Hearing aids, testing and examinations for them*	*All charges*
Vision services (testing, treatment, and supplies)	
• Eye examinations for medical conditions such as glaucoma, retinitis pigmentosa, and macular degeneration. Note: Refractive eye examinations and optical dispensing are available through Independent Health's EyeMed vision program. Please see Section 5 Non-FEHB benefits available to Plan members.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Eye exercises and orthoptics* • *Radial keratotomy and other refractive surgery* • *Eye glasses or contact lenses* *Note: Discounts for eyeglasses and contacts are available through Independent Health's EyeMed vision program. Please see Section 5 Non-FEHB benefits available to Plan members.*	*All charges*
Foot care	
Routine foot care when you are under active treatment for a metabolic or peripheral vascular disease, such as diabetes. Note: See Orthopedic and prosthetic devices for information on podiatric shoe inserts.	In-Network: $15 per office visit Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.
Not covered: *Cutting, trimming or removal of corns, calluses, or the free edge of toenails, and similar routine treatment of conditions of the foot, except as stated above* *Treatment of weak, strained or flat feet or bunions or spurs; and of any instability, imbalance or subluxation of the foot (unless the treatment is by open cutting surgery)*	*All charges*

Benefit Description	You pay
Orthopedic and prosthetic devices	
• Artificial limbs and eyes; stump hose • Corrective orthopedic appliances for non-dental treatment of temporomandibular joint (TMJ) pain dysfunction syndrome. • Externally worn breast prostheses and surgical bras, including necessary replacements following a mastectomy.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Internal prosthetic devices, such as artificial joints, pacemakers, cochlear implants, and surgically implanted breast implant following mastectomy. Note: See 5(b) for coverage of the surgery to insert the device.	In-Network: Nothing Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Hearing aids* • *Orthopedic and corrective shoes* • *Arch supports* • *Foot orthotics* • *Heel pads and heel cups* • *Lumbosacral supports* • *Corsets, trusses, elastic stockings, support hose, and other supportive devices* • *Wigs and hair prosthesis*	*All charges*
Durable medical equipment (DME)	
Rental or purchase, at our option, including repair and adjustment, of durable medical equipment prescribed by your Plan physician, such as oxygen and dialysis equipment. Under this benefit, we also cover: • Hospital beds; • Wheelchairs; • Crutches; • Walkers;	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: You are covered up to an annual maximum of $1,000 combined in and out-of-network
Diabetic equipment such as; • Insulin pumps • Blood glucose monitors • Diabetic supplies such as test strips for glucose monitors and visual reading and urine testing strips, syringes, lancets and cartridges for the visually impaired • Disposable needles and syringes needed to inject insulin	In-Network: $15 per item Out-of-Network: 40% coinsurance per item, plus any difference between our payment and the billed charges
Not covered: • *Personal convenience items* • *Humidifiers, air conditioners* • *Athletic or exercise equipment* • *Computer assisted communication devices*	*All charges*

Benefit Description	You pay
Home health services	
• Home health care ordered by a Plan physician and provided by a registered nurse (R.N.), licensed practical nurse (L.P.N.), licensed vocational nurse (L.V.N.), or home health aide. • Services include oxygen therapy, intravenous therapy and medications.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Nursing care requested by, or for the convenience of, the patient or the patient's family;* • *Home care primarily for personal assistance that does not include a medical component and is not diagnostic, therapeutic, or rehabilitative.* • *Private duty nursing;* • *Services primarily for hygiene, feeding, exercising, moving the patient, homemaking, companionship or giving oral medication.*	*All charges*
Chiropractic	
The following services by a licensed chiropractor: • Manipulation of the spine and extremities • Adjunctive procedures such as ultrasound, electrical muscle stimulation, vibratory therapy, and cold pack application Note: Chiropractic care must be provided in connection with the detection and correction by manual or mechanical means, of any structural imbalance, distortion or subluxation in the human body.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Alternative treatments	
No benefit. We do not cover services such as: • *Acupuncture* • *Naturopathic services* • *Hypnotherapy* • *Biofeedback*	*All charges*
Educational classes and programs	
Coverage is limited to: • Diabetes self management	In-Network: $15 per office visit Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
• Nutritional counseling Note: Please refer to Section 5 Non-FEHB benefits available to Plan members for other classes such as Stop Smoking Classes.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges

Section 5(b). Surgical and anesthesia services provided by physicians and other health care professionals

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- You limit your liability for covered services by using providers who are part of the Independent Health network. In-network benefits apply only when you use a network provider. Out-of-network benefits apply to services from providers that are not part of the network.
- The deductible is $2,000 for Self Only (QA4) and $4,000 for Self and Family (QA5) each calendar year. Under Self and Family enrollment (QA5), the deductible must be satisfied in full by one or more family members before we will begin paying benefits. The deductible applies to all benefits except covered in-network preventive care. The deductible applies to all benefits except covered in-network preventive care.
- After you have satisfied your annual deductible, coverage begins for traditional medical services
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare. The amounts listed below are for the charges billed by a physician or other health care professional for your surgical care. Look in Section 5(c) for charges associated with the facility (i.e. hospital, surgical center, etc.).
- **YOU MUST GET PRECERTIFICATION FOR SOME SURGICAL PROCEDURES.** Please refer to the precertification information shown in Section 3 to be sure which services require precertification and identify which surgeries require precertification.

Benefit Description	You pay
Surgical procedures	
A comprehensive range of services, such as: • Operative procedures • Treatment of fractures, including casting • Normal pre- and post-operative care by the surgeon • Correction of amblyopia and strabismus • Endoscopy procedures • Biopsy procedures • Removal of tumors and cysts • Correction of congenital anomalies (see Reconstructive surgery) • Surgical treatment of morbid obesity (bariatric surgery) - a condition in which an individual weighs 100 pounds or 100% over his or her normal weight according to current underwriting standards, or a body mass index (BMI) greater than 40 or greater than 35 with serious medical conditions exacerbated or caused by obesity, such as diabetes, sleep apnea, etc. Eligible members must be age 18 or over.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
• Insertion of internal prosthetic devices. See 5(a) – Orthopedic and prosthetic devices for device coverage information • Voluntary sterilization (e.g., Tubal ligation, Vasectomy) • Treatment of burns	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges

Surgical procedures - continued on next page

Benefit Description	You pay
Surgical procedures (cont.)	
Note: Generally, we pay for internal prostheses (devices) according to where the procedure is done. For example, we pay Hospital benefits for a pacemaker and Surgery benefits for insertion of the pacemaker.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Reversal of voluntary sterilization* • *Routine treatment of conditions of the foot; see Foot care*	*All charges*
Reconstructive surgery	
• Surgery to correct a functional defect • Surgery to correct a condition caused by injury or illness if: - the condition produced a major effect on the member's appearance and - the condition can reasonably be expected to be corrected by such surgery • Surgery to correct a condition that existed at or from birth and is a significant deviation from the common form or norm. Examples of congenital anomalies are: protruding ear deformities; cleft lip; cleft palate; birth marks; and webbed fingers and toes. • All stages of breast reconstruction surgery following a mastectomy, such as: - surgery to produce a symmetrical appearance of breasts; - treatment of any physical complications, such as lymphedemas; - breast prostheses and surgical bras and replacements (see Prosthetic devices) Note: If you need a mastectomy, you may choose to have the procedure performed on an inpatient basis and remain in the hospital up to 48 hours after the procedure.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Cosmetic surgery – any surgical procedure (or any portion of a procedure) performed primarily to improve physical appearance through change in bodily form, except repair of accidental injury* • *Surgeries related to sex transformation*	*All charges*
Oral and maxillofacial surgery	
Oral surgical procedures, limited to: • Reduction of fractures of the jaws or facial bones; • Surgical correction of cleft lip, cleft palate or severe functional malocclusion; • Removal of stones from salivary ducts; • Excision of leukoplakia or malignancies; • Excision of cysts and incision of abscesses when done as independent procedures; and • Other surgical procedures that do not involve the teeth or their supporting structures.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered:	*All charges*

Oral and maxillofacial surgery - continued on next page

Benefit Description	You pay
Oral and maxillofacial surgery (cont.)	
• *Oral implants and transplants* • *Procedures that involve the teeth or their supporting structures (such as the periodontal membrane, gingiva, and alveolar bone)*	*All charges*
Organ/tissue transplants	
Solid organ transplants limited to: • Cornea • Heart • Heart/lung • Single, double or lobar lung • Kidney • Liver • Pancreas • Autologous pancreas islet cell transplant (as an adjunct to total or near total pancreatectomy) only for patients with chronic pancreatitis • Intestinal transplants - Small intestine - Small intestine with the liver - Small intestine with multiple organs, such as the liver, stomach, and pancreas	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Blood or marrow stem cell transplants limited to the stages of the following diagnoses: Allogeneic transplants for • Acute lymphocytic or non-lymphocytic (i.e., myelogeneous) leukemia • Chronic lymphocytic lymphoma/small lymphocytic lymphoma (CLL/SLL) • Advanced Hodgkin's lymphoma • Advanced non-Hodgkin's lymphoma • Chronic myelogenous leukemia • Hemoglobinopathy (i.e. Fanconi's, Thalessemia major) • Myelodysplasia/Myelodysplastic syndromes • Severe combined immunodeficiency • Severe or very severe aplastic anemia • Amyloidosis Autologous transplants for • Acute lymphocytic or nonlymphocytic (i.e., myelogenous) leukemia • Advanced Hodgkin's lymphoma • Advanced non-Hodgkin's lymphoma • Neuroblastoma • Amyloidosis	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges

Organ/tissue transplants - continued on next page

Benefit Description	You pay
Organ/tissue transplants (cont.)	
Autologous tandem transplants for recurrent germ cell tumors (including testicular cancer) • Recurrent germ cell tumos (including testicular cancer) • Multiple myeloma • De-novo myeloma	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Blood or marrow stem cell transplants for Allogenic transplants for • Phagocytic/Hemophagocytic deficientcy diseases (e.g., Wiskott-Aldrich syndrome) • Advanced neuroblastoma • Infantile malignant osteoporosis • Kostmann's syndrome • Leukocyte adhesion deficiencies • Mucolipidosis (e.g. Gaucher's disease, metachromatic leukodystrophy, adrenoleukodystrophy) • Mucopolysaccharidosis (e.g. Hunter's syndrome, Hurler's syndrome, Sanfilippo's syndrome, Maroteaux-Lamy syndrome variants) • Myeloproliferative disorders • Sickle cell anemia • X-linked lymphoproliferative syndrome Autologous transplants for • Multiple myeloma • Testicular, mediastinal, retroperitoneal, and ovarian germ cell tumors • Breast cancer • Epithelial ovarian cancer • Ependymoblastoma • Ewing's sarcoma • Medulloblastoma • Pineoblastoma • Waldenstrom's macroglobulinemia Mini-transplants (non-myeloblative, reduced intensity conditioning): Subject to medical necessity Tandem transplants: Subject to medical necessity	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Blood or marrow stem cell transplants covered only in a National Cancer Institute or National Institutes of Health approved clinical trial or a Plan-designated center of excellence and if approved by the Plan's medical director in accordance with the Plan's protocols for: Allogeneic transplants for: • Chronic lymphocytic leukemia • Chronic lymphocytic lymphoma/small lymphocytic lymphoma (CLL/SLL)	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges

Organ/tissue transplants - continued on next page

Benefit Description	You pay
Organ/tissue transplants (cont.)	
• Early stage (indolent or non-advanced) small cell lymphocytic lymphoma • Myelodysplasia/Myelodysplastic syndromes • Multiple myeloma • Multiple sclerosis Nonmyeloablative allogeneic transplants for: • Acute lymphocytic or non-lymphocytic (i.e., myelogenous) leukemia • Myelodysplastic syndromes • Advanced Hodgkin's lymphoma • Advanced non-Hodgkin's lymphoma • Breast cancer • Chronic lymphocytic leukemia • Chronic myelogenous leukemia • Colon cancer • Early stage (indolent or non-advanced) small cell lymphocytic lymphoma • Chronic lymphocytic lymphoma/small lymphocytic lymphoma (CLL/SLL) • Multiple myeloma • Multiple sclerosis • Myeloproliferative disorders • Non-small cell lung cancer • Ovarian cancer • Prostate cancer • Renal cell carcinoma • Sarcomas Autologous transplants for: • Chronic lymphocytic leukemia • Chronic myelogenous leukemia • Early stage (indolent or non-advanced) small cell lymphocytic lymphoma • Chronic lymphocytic lymphoma/small lymphocytic lymphoma (CLL/SLL) • Small cell lung cancer • Multiple sclerosis • Systemic lupus erythematosus • Systemic sclerosis Note: We cover related medical and hospital expenses of the donor when we cover the recipient.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: • *Donor screening tests and donor search expenses, except those performed for the actual donor* • *Implants of artificial organs* • *Transplants not listed as covered*	*All charges*

Benefit Description	You pay
Anesthesia	
Professional services provided in – • Hospital (inpatient) • Hospital outpatient department • Skilled nursing facility • Ambulatory surgical center • Office	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges

Section 5(c). Services provided by a hospital or other facility, and ambulance services

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary .
- You limit your liability for covered services by using providers who are part of the Independent Health network. In-network benefits apply only when you use a network provider. Out-of-network benefits apply to services from providers that are not part of the network.
- The deductible is $2,000 for Self Only (QA4) and $4,000 for Self and Family (QA5) each calendar year. Under Self and Family enrollment (QA5), the deductible must be satisfied in full by one or more family members before we will begin paying benefits. The deductible applies to all benefits except covered in-network preventive care. The deductible applies to all benefits except covered in-network preventive care. After you have satisfied your deductible, your Traditional medical coverage begins.
- After you have satisfied your annual deductible, coverage begins for traditional medical services.
- Be sure to read Section 4, ***Your costs for covered services*** for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.
- The amounts listed below are for the charges billed by the facility (i.e., hospital or surgical center) or ambulance service for your surgery or care. Any costs associated with the professional charge (i.e., physicians, etc.) are in Sections 5(a) or (b).
- **YOU ARE RESPONSIBLE FOR PRECERTIFICATION FOR HOSPITALIZATION OR WE WILL APPLY A PENALTY.** Please refer to Section 3 to be sure which services require precertification.

Benefit Description	You Pay
Inpatient hospital	
Room and board, such as • Ward, semiprivate, or intensive care accommodations; • General nursing care; and • Meals and special diets. Note: If you want a private room when it is not medically necessary, you pay the additional charge above the semiprivate room rate.	In-Network: Nothing Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Other hospital services and supplies, such as: • Operating, recovery, maternity, and other treatment rooms • Prescribed drugs and medicines • Diagnostic laboratory tests and X-rays • Administration of blood, blood plasma and other plasma • Blood or blood plasma, if not donated or replaced • Dressings, splints, casts, and sterile tray services • Medical supplies and equipment, including oxygen • Anesthetics, including nurse anesthetist services • Medical supplies, appliances, medical equipment, and any covered items billed by a hospital for use at home	In-Network: Nothing Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered:	*All charges*

Inpatient hospital - continued on next page

Benefit Description	You Pay
Inpatient hospital (cont.)	
• *Custodial care* • *Non-covered facilities, such as nursing homes, schools* • *Personal comfort items, such as telephone, television, barber services, guest meals and beds* • *Private nursing care*	*All charges*
Outpatient hospital or ambulatory surgical center	
• Operating, recovery, and other treatment rooms • Prescribed drugs and medicines • Diagnostic laboratory tests, X-rays , and pathology services • Administration of blood, blood plasma, and other biologicals • Pre-surgical testing • Dressings, casts, and sterile tray services • Medical supplies, including oxygen • Anesthetics and anesthesia service Note: We cover hospital services and supplies related to dental procedures when necessitated by a non-dental physical impairment. We do not cover the dental procedures.	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: Blood and blood derivatives not replaced by the member	*All charges*
Extended care benefits/Skilled nursing care facility benefits	
Skilled nursing facility (SNF) and subacute facility: We provide a comprehensive range of benefits for up to 45 days per calendar year combined in and out-of-network when full-time skilled nursing care is necessary and confinement in a skilled nursing facility is medically appropriate as determined by a Plan doctor and approved by us. All necessary services are covered, including: • bed, board and general nursing care • drugs, biologicals, supplies and equipment ordinarily provided or arranged by the skilled nursing facility when prescribed by a Plan doctor.	In-Network: Nothing Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: *Custodial care, maintenance care, respite care, or convenience care*	*All charges*
After hours care centers	
• Treatment for acute, urgent and non-life threatening conditions during non-traditional office hours • Minor outpatient procedures not requiring conscious sedation or a high level of anesthesia • Diagnostic laboratory tests and X-rays Facilities: • Lifetime Health Centers • MedFirst Urgent Care Center • Reddy Care Urgent Medical Center • WNY Immediate Care Center	In-Network: $15 per visit Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.

After hours care centers - continued on next page

Benefit Description	You Pay
After hours care centers (cont.)	
Note: Services provided at the above facilities during your Primary Physician's office hours are subject to review to determine if services were medically necessary.	In-Network: $15 per visit Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.
Not covered: *Independent nursing, homemaker services*	*All charges*
Hospice care	
We cover up to 210 days of Hospice services combined in and out-of-network on an inpatient or outpatient basis (including medically necessary supplies and drugs) for a terminally ill member. Covered care is provided in the home or hospice facility under the direction of a Plan doctor who certifies that the patient is in the terminal stages of illness, with a life expectancy of approximately six months or less. As a part of hospice care, we cover up to five (5) visits of bereavement counseling for covered family.	In-Network: Nothing for inpatient hospice care; 20% coinsurance for outpatient hospice care Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: *Independent nursing, homemaker services and Advanced Care Planning*	*All charges*
Ambulance	
• Local professional ambulance service when medically appropriate. See 5(d) for emergency service	In and Out-of-Network: 20% coinsurance per trip
Not covered: *Wheelchair van transportation*	*All charges*

Section 5(d). Emergency services/accidents

Important things you should keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- The deductible is $2,000 for Self Only (QA4) and $4,000 for Self and Family (QA5) each calendar year. Under Self and Family enrollment (QA5), the deductible must be satisfied in full by one or more family members before we will begin paying benefits. The deductible applies to all benefits except covered in-network preventive care.
- After you have satisfied your annual deductible, your Traditional medical coverage begins.
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.

What is a medical emergency?

A medical emergency is the sudden and unexpected onset of a condition or an injury that you believe endangers your life or could result in serious injury or disability, and requires immediate medical or surgical care. Some problems are emergencies because, if not treated promptly, they might become more serious; examples include deep cuts and broken bones. Others are emergencies because they are potentially life-threatening, such as heart attacks, strokes, poisonings, gunshot wounds, or sudden inability to breathe. There are many other acute conditions that we may determine are medical emergencies – what they all have in common is the need for quick action.

What to do in case of emergency:

Emergencies within our service area:

If you believe that you have an emergency, call 911 or go to the nearest emergency room. If you aren't sure, call your primary care doctor as soon as you can. You may also contact Independent Health's 24-hour Medical Help Line at 1-800-501-3439. A nurse will return your call and talk to you and tell you what to do at home or tell you to go to the primary care doctor's office or the nearest emergency room.

Emergencies outside our service area:

Go to the nearest emergency room. Call Independent Health as soon as you can (within 48 hours if possible). For urgent care services, call Independent Health's 24-hour Medical Help Line at 1-800-501-3439. If you do not contact us, you will owe a deductible and coinsurance.

Benefit Description	You pay After the calendar year deductible…
Emergency within our service area	**High Option**
• Emergency care at a doctor's • Emergency care at an urgent care center	In-Network: $15 per office visit Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.

Emergency within our service area - continued on next page

Benefit Description	You pay After the calendar year deductible…
Emergency within our service area (cont.)	**High Option**
Emergency care in the outpatient department of a hospital, including doctors' services	In and Out-of-Network: 20% coinsurance
Not covered: • *Elective care or non-emergency care* • *Emergency care provided outside the service area if the need for care could have been foreseen before leaving the service area* • *Medical and hospital costs resulting from a normal full-term delivery of a baby outside the service area*	*All charges*
Emergency outside our service area	**High Option**
• Emergency care at a doctor's office • Emergency care at an urgent care center • Urgent care at a doctor's office or urgent care center	In-Network: $15 per office visit Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.
• Emergency care as an outpatient or inpatient at a hospital, including doctors' services	In and Out-of-Network: 20% coinsurance
Not covered: • *Elective care or non-emergency care* • *Emergency care provided outside the service area if the need for care could have been foreseen before leaving the service area* • *Medical and hospital costs resulting from a normal full-term deliver of a baby outside the service area*	*All charges*
Ambulance	**High Option**
Professional ambulance service for the prompt evaluation and treatment of a medical emergency and/or transportation to a hospital for the treatment of an emergency condition. Note: See 5(c) for non-emergency service.	In and Out-of-Network: 20% coinsurance per trip
Not covered: *Wheel chair van transportation*	*All charges*

Section 5(e). Mental health and substance abuse benefits

When you get our approval for services and follow a treatment plan we approve, cost-sharing and limitations for Plan mental health and substance abuse benefits will be no greater than for similar benefits for other illnesses and conditions.

Important things to keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- You limit your liability for covered services by using providers who are part of the Independent Health network. In-network benefits apply only when you use a network provider. Out-of-network benefits apply to services from providers that are not part of the network.
- The deductible is $2,000 for Self Only (QA4) and $4,000 for Self and Family (QA5) each calendar year. Under Self and Family enrollment (QA5), the deductible must be satisfied in full by one or more family members before we will begin paying benefits. The deductible applies to all benefits except covered in-network preventive care.
- After you have satisfied your annual deductible, coverage begins for traditional medical services.
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.
- **YOU MUST GET PRECERTIFICATION FOR THESE SERVICES.** See the instructions after the benefits description below.

Benefit Description	You pay After the calendar year deductible…
Mental health and substance abuse benefits	**High Option**
All diagnostic and treatment services recommended by a Plan provider and contained in a treatment plan that we approve. The treatment plan may include services, drugs, and supplies described elsewhere in this brochure. Note: Plan benefits are payable only when we determine the care is clinically appropriate to treat your condition and only when you receive the care as part of a treatment plan that we approve.	Your cost sharing responsibilities are no greater than for other illnesses or conditions.
• Professional services, including individual or group therapy by providers such as psychiatrists, psychologists, or clinical social workers • Medication management	In-Network: 20% coinsurance applies Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
• Laboratory tests	In-Network: Nothing Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
• All Other Diagnostic tests	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges

Mental health and substance abuse benefits - continued on next page

Benefit Description	You pay After the calendar year deductible…
Mental health and substance abuse benefits (cont.)	**High Option**
• Services provided by a hospital or other facility	In-Network: Nothing for inpatient hospital services; 20% coinsurance for outpatient services Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
• Services in approved alternative care settings such as partial hospitalization, half-way house, residential treatment, full-day hospitalization, facility based intensive outpatient treatment (limited to no more than 45 days per calendar year).	In-Network: 20% coinsurance Out-of-Network: 40% coinsurance, plus any difference between our payment and the billed charges
Not covered: Services we have not approved. *Note: OPM will base its review of disputes about treatment plans on the treatment plan's clinical appropriateness. OPM will generally not order us to pay or provide one clinically appropriate treatment plan in favor of another.*	*All charges*

Precertification

To be eligible to receive these benefits you must obtain a treatment plan and follow all of the following network precertification processes.

We are committed to working with our providers to ensure that you receive the best possible care in the most appropriate setting. Because some mental health and substance abuse conditions can be treated in a variety of ways, we require that you obtain precertification from us. We will determine the medical necessity of treatment.

Limitation

We may limit your benefits if you do not obtain a treatment plan.

Section 5(f). Prescription drug benefits

Here are some important things to keep in mind about these benefits:

- Please remember that all benefits are subject to the definitions, limitations and exclusions in this brochure and are payable only when we determine they are medically necessary.
- We cover prescribed drugs and medications, as described in the chart beginning on the next page. We do not provide out-of-network benefits for prescription drugs. You must use a Plan pharmacy.
- The deductible is $2,000 for Self Only enrollment and $4,000 for Self and Family enrollment each calendar year. Under Self and Family enrollment (QA5), the deductible must be satisfied in full by one or more family members before we will begin paying benefits. The deductible applies to all benefits in this section. We apply copays only after you have satisfied the annual deductible.
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also read Section 9 about coordinating benefits with other coverage, including with Medicare.
- **You must get precertification for certain prescriptions.** In order to be covered by the Plan, certain prescriptions require precertification in accordance with the Independent Health Prescription Drug Formulary. These drugs are noted on the member formulary with a superscript “B” next to the drug name. You may obtain a copy of the prescription drug formulary by contacting Member Services at (716) 631-8701 or 1-800-501-3439.

There are important features you should be aware of. These include:

- **Who can write your prescription.** A state licensed provider must write the prescription.
- **Where you can obtain them.**You must fill the prescription at a Plan pharmacy. In addition to the many local pharmacies that are available, our national pharmacy network provides access to more than 52,000 pharmacies across the country. To take advantage of our National Pharmacy Network, simply present your member ID card at a participating pharmacy.
- **Mail Order Pharmacy.** In addition to Independent Health's pharmacy network, you may also obtain your maintenance medications through Express Scripts or Walgreens Mail Service. When using mail order pharmacies, your medications are shipped to you by standard delivery at no additional cost to you (express shipping is available for an additional charge). Maintenance medications must be dispensed in 90-day supply quantities (3 copays apply). Before using Express Scripts or Walgreens Mail Service for the first time, you will have to register with the mail order pharmacy of your choice. Here's how to reigster:
  - **By mail:** please contact our Member Services Department at (716) 631-3001 or 1-800-501-3439 for a registration form for the pharmacy of your choice
  - **Online:** www.express-scripts.com or www.walgreensmail.com
  - **By Phone:**
    - Express Scripts: 1-866-467-8642 (TTY/TDD: 1-800-899-2114)
    - Walgreens Mail Service: 1-866-202-5196 (TTY/TDD: 1-800-573-1833)
  - **To obtain your mail order pharmacy prescriptions**
    - You will first need a new prescription written by your doctor. Please ask your doctor to write a new prescription for a 90-day supply for mail service plus refills for up to 1 year (as appropriate). Please check the Independent Health drug formulary for covered medications.
    - Please note: when placing your initial order, you should have at least a 14-day supply of that medication on hand to hold you over. If you do not have enough medication, you may need to ask your doctor for another prescription for a 30-day supply to be filled at your local retail network pharmacy.
  - **To order refills:**
    - You can easily refill your prescriptions online, by telephone or by mail. Have your Member ID ready and your prescription number for the medication available. If you choose to pay by credit card, please have that number available as well. To make sure you don't run out of medication, remember to re-order 14 days before your medication runs out.

- **We use a formulary.** We use a 3-tier prescription drug formulary. It is a list of drugs that we have approved to be dispensed through Plan pharmacies. Our formulary has more than 1,000 different medications and covers all classes of drugs prescribed for a variety of diseases. Tier 1 generally contains preferred generic and some over-the-counter drugs. Tier 2 contains preferred brand name drugs. Tier 3 contains non-preferred drugs. To obtain a copy of the formulary, visit our website at www.independenthealth.com or contact our Member Services Department at (716) 631-8701 or 1-800-501-3439. Our Pharmacy and Therapeutics Committee, which consists of local doctors and pharmacists, meets quarterly to review the formulary. The committee's recommendations are forwarded to our Health Care Quality Committee who makes the final decision.
- **These are the dispensing limitations.** You may obtain up to a 30-day supply per copay. Plan pharmacies fill prescriptions using FDA-approved generic equivalents if available. All other prescriptions are filled using FDA-approved brand name pharmaceuticals. You pay a 100% of the cost of your covered prescription drugs until you have paid your total deductible ($2,000 for Self Only or $4,000 for Self and Family enrollment each calendar year). After you have satisfied your deductible, you pay a $7 copay for all Tier 1/preferred drugs, a $25 copay for Tier 2/preferred drugs and a $40 copay for all Tier 3/non-preferred drugs. Certain prescribing limitations will apply such as precertification, quantity limitations and step therapy protocols as described in the Independent Health prescription drug formulary. Most antibiotics are limited to a 10-day supply with one refill within 15 days of the original fill. Prescriptions written by an emergency room physician are limited to a 10-day supply with no refills. If you are in the military and called to active duty, please contact us if you need assistance in filling a prescription before your departure.
- **A generic equivalent will be dispensed if it is available,** unless your physician requires a name brand. If you receive a name brand drug when a Federally-approved generic drug is available, and your physician has not specified Dispense as Written for the name brand drug, you have to pay the difference between the name brand drug and the generic.
- **Why use generic drugs?** Generic drugs offer a safe and economic way to meet your prescription drug needs. Generic drugs contain the same active ingredients and are equivalent in strength and dosage to the original brand name product. The U.S. Food and Drug Administration sets quality standards for generic drugs to ensure that these drugs meet the same standards for safety, purity, strength and effectiveness as brand-name drugs. Generic drugs are generally less expensive than brand name drugs, in most instances are the most cost effective therapy available, and may save you money.
- **When you do have to file a claim.** If you do not have access to a Plan pharmacy in an emergency situation and you receive a bill for prescriptions filled at a non-plan pharmacy, please send a copy of the bill, with your member ID number, to: Independent Health, 511 Farber Lakes Drive, Buffalo, NY 14221 Attn: Pharmacy Department.

Benefit Description	You pay After the calendar year deductible…
Covered medications and supplies	**High Option**
We cover the following medications and supplies prescribed by a licensed provider and obtained from a Plan pharmacy: • Drugs and medicines that by Federal law of the United States require a provider's prescription for their purchase, except those listed as Not covered. • Growth hormones (with precertification) • Contraceptives and contraceptive devices, including diaphragms • Nutritional supplements medically necessary for the treatment of phenylketonuria (PKU) and other related disorders (with precertification) • Self-administered injectable drugs (with precertification) • Infertility drugs when you meet specific criteria (See Section 5(a) Infertility Services) • Sexual dysfunction drugs have dispensing limitations. Contact us for details.	Unless otherwise indicated, • $7 per 30-day supply of a Tier 1 drug or • $25 per 30-day supply of a Tier 2 drug or • $40 per 30-day supply of a Tier 3 drug Note: If there is no Tier 1 equivalent available, you will still have to pay the Tier 2 or Tier 3 copay.

Covered medications and supplies - continued on next page

Benefit Description	You pay After the calendar year deductible…
Covered medications and supplies (cont.)	**High Option**
Note: Intravenous fluids and medication for home use, implantable drugs, and injectable or implantable contraceptives are covered under Medical and Surgical Benefits.	
• Tier 1 oral contraceptives	Nothing per 30 day supply
• Insulin and oral agents • Diabetic supplies such as test strips for glucose monitors and visual reading and urine testing strips, syringes, lancets and cartridges for the visually impaired • Disposable needles and syringes needed to inject insulin	$15 copay or the applicable prescription copay, whichever is less, for up to a 30-day supply
• Needles and syringes necessary to inject covered medication	20% copay
Not covered: • *Drugs and supplies for:* - *cosmetic purposes* - *smoking cessation (see non-FEHB benefits in Section 5)* - *athletic performance* • *Fertility drugs when you do not meet the State-mandated criteria for coverage or when related to non-covered infertility procedures* • *Drugs obtained at a non-Plan pharmacy; except for out-of-area emergencies* • *Vitamins, nutrients and food supplements for any reason* • *Drugs available without a prescription except for some over-the-counter products as listed on our formulary* • *Medical supplies such as dressings and antiseptics* • *Prescription refills beyond one year from the original date written.*	*All charges*

Section 5(g). Dental benefits

Important things you should keep in mind about these benefits:

- When you join this Plan, you will have access to a Dental fund ($300 for Self Only or $600 for Self and Family to share between you and your enrolled family members). Your Dental fund is not subject to the deductible. Any unused balance at the end of the calendar year will be forfeited.
- You can visit any licensed dentists for services under the Dental fund. However, you can make your dental fund go further by taking advantage of the negotiated rates offered by participating network dentists.
- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- The deductible for accidental injury benefit is $2,000 for Self Only enrollment and $4,000 for Self and Family enrollment each calendar year. The Self and Family deductible can be satisfied by one or more family members. An individual in a family does not stop at the self only deductible. The deductible applies to almost all benefits under Traditional medical coverage. You must pay your deductible before your Traditional medical coverage may begin. The deductible is a shared deductible for both in-network and out-of-network services as well as your pharmacy services.
- After you have satisfied your annual deductible, your Traditional medical coverage begins.
- Under your Traditional medical coverage, you will be responsible for your coinsurance amounts and copayments for eligible medical expenses and prescriptions.
- We cover hospitalization for dental procedures only when a non-dental physical impairment exists which makes hospitalization necessary to safeguard the health of the patient. See Section 5(c) for inpatient hospital benefits. We do not cover the dental procedure unless it is described below.
- Be sure to read Section 4, Your costs for covered services, for valuable information about how cost sharing works. Also, read Section 9 about coordinating benefits with other coverage, including with Medicare.

Accidental injury benefit	High Option
• We cover restorative services and supplies necessary to repair (but not replace) sound natural teeth within twelve months of the accident. The need for these services must result from an accidental injury. Note: Please see specific benefit description for any additional services that may be rendered in an office setting for the amount you pay.	$15 per office visit Note: The office visit copay may not cover all services that you may receive during your visit. Please refer to the specific benefits description for information on the amount(s) you owe for additional services that your doctor may perform during your visit.

Dental fund benefit	High Option
Dental fund expenses include dental services up to a maximum of $300 for Self Only or $600 for Self and Family enrollment. The Dental fund may be used for orthodontic services. Note: Any unused remaining balance in your Dental fund at the end of the calendar year cannot be rolled over to the next year.	Nothing, until you exhaust your Dental fund. The deductible and annual catastrophic out-of-pocket maximum for expenses is excluded from your Dental fund.
Not including: *Dental treatment for cosmetic purposes*	*All charges*

Section 5(h). Special features

Feature	Description
Feature	
Flexible benefits option	Under the flexible benefits option, we determine the most effective way to provide services. • We may identify medically appropriate alternatives to traditional care and coordinate other benefits as a less costly alternative benefit. • Alternative benefits will be made available for a limited time period and are subject to our ongoing review. You must cooperate with the review process. • By approving an alternative benefit, we cannot gaurantee you will get it in the future. • Our decision to offer or withdraw alternative benefits is not subject to OPM review under the disputed claims process.
24-Hour Medical Help Line	Independent Health's 24-Hour Medical Help Line is ideal for those times when you can't reach your doctor right away and you have concerns and questions about an illness or you need to reach a medical resource management (MRM) case manager. Our registered nurses are on call to assist you 24 hours a day, 7 days a week, and can even coordinate a trip to the hospital in case of an emergency. Call (716) 631-8701 or 1-800-501-3439 to get the help you need when you need it most.
Services for deaf and hearing impaired	You may contact Independent Health through a TDD machine at (716) 631-3108.
Case Management	The purpose of case management is to identify high-risk members and coordinate care such that the member receives appropriate, high-quality care in appropriate settings. Members are referred from many sources. Those cases, which are referred to the Case Management team, will have an assessment and phone call to the member/family within 48 hours of the referral.
Facilities for transplants/ heart surgery/etc	With precertification, you have access to our participating providers and United Resource Network facilities: **Bone Marrow** – Roswell Park Cancer Institute, Strong Memorial Hospital (Rochester) **Heart** – Strong Memorial Hospital (Rochester), Children's Hospital of Pittsburgh, University of Wisconsin, Cleveland Clinic Foundation **Heart/Lung** – University of Wisconsin, Cleveland Clinic Foundation **Lung** – University of Wisconsin, Cleveland Clinic Foundation **Kidney** – Kaleida Health (Buffalo), University of Wisconsin, Cleveland Clinic Foundation, Erie County Medical Center (Buffalo), Strong Memorial Hospital (Rochester) **Liver** – Children's Hospital of Pittsburgh, University of Wisconsin, Cleveland Clinic Foundation, Strong Memorial Hospital **Kidney/Pancreas** – Kaleida Health (Buffalo), University of Wisconsin, Erie County Medical Center (Buffalo), Strong Memorial Hospital (Rochester) **Neonatal Critical Care** – Kaleida Health (Buffalo), Strong Memorial Hospital (Rochester) Contact us for details and for any additional facilities not listed.
Travel Benefit/services overseas	You have worldwide coverage for emergency care services. This does not include travel-related expenses. Contact us for details.

Section 5(i). Health education resources and account management tools

Special features	Description
Health education resources **eAccess** **Independent Me** **Health Coaching** **Treatment Cost Estimator** **Hospital Advisor** **Health Wellness Programs**	A newsletter is published to keep you informed on a variety of issues related to your health. Visit us on our Web site at www.independenthealth.com for information on tools provided by Independent Health to assist in your medical decision making process: • Online service that allows you to verify coverage, view a benefit summary, check claim status, order ID cards, and update your address, phone number and e-mail address • Online Health Management programs for women, men and senior health • Personalized home page including articles specific to your needs and interests • Personalized Health Record assists with tracking your medical history • Health Risk Appraisal • Comprehensive Health Library • Health quizzes and interactive tools • Drug information including use, interaction, and side effects • Online virtual Health Coach • Healthcare staff is available to provide guidance in assisting you in making informed health care decisions • Provides approximate costs of specific health care services in your area • Compares hospitals by procedure or diagnosis within a specific area • We offer a variety of wellness programs and workshops aimed at keeping you healthy- including weight management, smoking cessation, and nutrition classes.
Account management tools	For each HSA and HRA account holder, we maintain a complete payment history online through www.independenthealth.com. You will receive an EOB which will itemize the deductible applied to your claim. If you have an HSA, You will receive a statement outlining your account balance and activity for the month. You may also access your account on-line at www.independenthealth.com. If you have an HRA, Your HRA balance will be available online through www.independenthealth.com. Your balance will also be shown on your reimbursement stub.
Consumer choice information	As a member of this HDHP, you may choose any provider. However, you will receive a lower cost share when you see a network provider. Directories are available online at www.independenthealth.com. Pricing information for medical care is available at www.independenthealth.com. Pricing information for prescription drugs is available at www.independenthealth.com. Educational materials on the topics of HSAs, HRAs and HDHPs are available at www.independenthealth.com.
Care support	Case Managers support is available.

Non-FEHB benefits available to Plan members

The benefits on this page are not part of the FEHB contract or premium, and you cannot file an FEHB disputed claim about them. Fees you pay for these services do not count toward FEHB deductibles or catastrophic protection out-of-pocket maximums. These programs and materials are the reponsibility of the Plan, and all appeals must follow their guidelines. For additional information contact the Plan at (716) 631-8701 or 1-800-501-3439 or visit their website at www.independenthealth.com.

Wellness Programs

Independent Health covers a number of wellness programs through our Health Education and Wellness Department. These include: Smoking Cessation classes, Nutritional Consulting, Parenting Classes, and Stress Management workshops to name just a few. Please contact Independent Health's Member Services Department at (716) 631-8701 or 1-800-501-3439 or visit their website at www.independenthealth.com for more information on these expanded benefits as well as our new member discount program. The discount program includes savings on alternative therapies, fitness and nutrition classes, dental services, hearing aids, and more.

EyeMed Vision Program

EyeMed is a national company that delivers vision benefits to Independent Health members. EyeMed is part of Luxottica, the world's leading frame manufacturer of quality eyeglass frames. EyeMed's network includes many independent optical providers and retail stores. EyeMed will cover one refractive eye exam every twelve months. You may contact EyeMed at 1-866-739-3633.

Independent Health's EyeMed vision program

Benefit	HMO You pay	HDHP You Pay
Refractive Eye Exam	$10 copayment	$15 copayment
Single Vision plastic lenses	$35 copayment	$35 Copayment
Bifocal plastic lenses	$55 Copayment	$55 Copayment
Trifocal plastic lenses	$90 Copayment	$90 Copayment
Lenticular plastic lenses	$90 Copayment	$90 Copayment
Progressive plastic lenses	$100 Copayment	$100 Copayment
Conventional Contact Lenses	85% of retail price	85% of retail price
Frames	50% of retail price up to $130 and 80% of the balance over $130	50% of retail price up to $130 and 80% of the balance over $130

Independent Health's Medicare Plan:

Independent Health offers Medicare recipients a wide variety of health plan options, including **HMO** and **PPO**. The Encompass plans are Independent Health's **HMO** brand of Medicare which provides more comprehensive coverage than you would receive from traditional Medicare and the option to add Medicare Prescription Drug Coverage. To be eligible for Independent Health's Medicare coverage, you must be entitled to Medicare A and enrolled in Medicare Part B. Our **HMO** service area includes Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans or Wyoming counties of New York State and you must not be out of the service area for more than six months. The Passport plans are Independent Health's **PPO** Medicare offering. The Passport plans offer comprehensive coverage with in-network providers along with the added flexibility of choosing a health care provider outside of our network. This allows you more flexibility and benefits with lower premiums than Medicare supplement plans.

If you are interested in enrolling, contact your retirement system for information on canceling your FEHB enrollment and joining Independent Health's Medicare Plan. You may also choose to enroll in Independent Health's Medicare Plan and retain your enrollment in Independent Health's FEHB plan. For more information on plan benefits, co-payments, and premiums, contact Independent Health's Marketing Department at (716) 631-9452 or 1-800-453-1910, Monday through Friday, 8 a.m. until 5 p.m.

For more information, be sure to visit our web site at www.independenthealth.com.

Section 6. General exclusions – things we don't cover

The exclusions in this section apply to all benefits. **There may be other exclusions and limitations listed in Section 5 of this brochure.** Although we may list a specific service as a benefit, we will not cover it unless your Plan doctor determines it is medically necessary to prevent, diagnose, or treat your illness, disease, injury, or condition and we agree as discussed under Services requiring our prior approval on page 14.

We do not cover the following:

- Services, drugs, or supplies you receive while you are not enrolled in this Plan;
- Services, drugs, or supplies not medically necessary;
- Services, drugs, or supplies not required according to accepted standards of medical, dental, or psychiatric practice;
- Experimental or investigational procedures, treatments, drugs or devices (see specifics regarding organ/tissue transplants);
- Services, drugs, or supplies related to abortions, except when the life of the mother would be endangered if the fetus were carried to term, or when the pregnancy is the result of an act of rape or incest;
- Services, drugs, or supplies related to sex transformations;
- Services, drugs, or supplies you receive from a provider or facility barred from the FEHB Program; or
- Services, drugs, or supplies you receive without charge while in active military service.

Section 7. Filing a claim for covered services

When you see Plan physicians, receive services at Plan hospitals and facilities, or obtain your prescription drugs at Plan pharmacies, you will not have to file claims. Just present your identification card and pay your copayment, coinsurance, or deductible.

You will only need to file a claim when you receive emergency services from non-plan providers. Sometimes these providers bill us directly. Check with the provider. If you need to file the claim, here is the process:

Medical and hospital benefits

In most cases, providers and facilities file claims for you. Physicians must file on the form HCFA-1500, Health Insurance Claim Form. Your facility will file on the UB-92 form. For claims questions and assistance, call us at (716) 631-8701 or 1-800-501-3439. When you must file a claim – such as for services you receive outside the Plan's service area – submit it on the HCFA-1500 or a claim form that includes the information shown below. Bills and receipts should be itemized and show:

- Covered member's name and ID number;
- Name and address of the provider or facility that provided the service or supply;
- Dates you received the services or supplies;
- Diagnosis;
- Type of each service or supply;
- The charge for each service or supply;
- A copy of the explanation of benefits, payments, or denial from any primary payer – such as the Medicare Summary Notice (MSN); and
- Receipts, if you paid for your services.

Submit your claims to:

Independent Health

P.O. Box 9066

Buffalo, NY 14231-1642

Attn: Claims Department

Prescription drugs

Submit your claims to:

Independent Health

511 Farber Lakes Drive

Buffalo, NY 14221

Attn: Pharmacy Department

Deadline for filing your claim

Send us all of the documents for your claim as soon as possible. You must submit the claim by December 31 of the year after the year you received the service, unless timely filing was prevented by administrative operations of Government or legal incapacity, provided the claim was submitted as soon as reasonably possible.

When we need more information

Please reply promptly when we ask for additional information. We may delay processing or deny benefits for your claim if you do not respond.

Section 8. The disputed claims process

Follow this Federal Employees Health Benefits Program disputed claims process if you disagree with our decision on your claim or request for services, drugs, or supplies – including a request for preauthorization/prior approval (refer to Section 3). Disagreements between you and the HDHP fiduciary regarding the administration of an HSA or HRA are not subject to the disputed claims process.

Step	Description
1	Ask us in writing to reconsider our initial decision. You must: a) Write to us within 6 months from the date of our decision; and b) Send your request to us at: Independent Health-Benefit Administration Department, Box 2090, Buffalo, NY 14231; and c) Include a statement about why you believe our initial decision was wrong, based on specific benefit provisions in this brochure; and d) Include copies of documents that support your claim, such as physicians' letters, operative reports, bills, medical records, and explanation of benefits (EOB) forms.
2	We have up to 30 days from the date we receive your request to: a) Pay the claim (or, if applicable, arrange for the health care provider to give you the care); or b) Write to you and maintain our denial - go to step 4; or c) Ask you or your provider for more information. If we ask your provider, we will send you a copy of our request—go to step 3.
3	You or your provider must send the information so that we receive it within 60 days of our request. We will then decide within 30 more days. If we do not receive the information within 60 days, we will decide within 30 days of the date the information was due. We will base our decision on the information we already have. We will write to you with our decision.
4	If you do not agree with our decision, you may ask OPM to review it. You must write to OPM within: • 90 days after the date of our letter upholding our initial decision; or • 120 days after you first wrote to us - if we did not answer that request in some way within 30 days; or • 120 days after we asked for additional information. Write to OPM at: United States Office of Personnel Management, Insurance Services Programs, Health Insurance Group 3, 1900 E Street, NW, Washington, DC 20415-3630. Send OPM the following information: • A statement about why you believe our decision was wrong, based on specific benefit provisions in this brochure; • Copies of documents that support your claim, such as physicians' letters, operative reports, bills, medical records, and explanation of benefits (EOB) forms; • Copies of all letters you sent to us about the claim; • Copies of all letters we sent to you about the claim; and • Your daytime phone number and the best time to call.

Note: If you want OPM to review more than one claim, you must clearly identify which documents apply to which claim.

Note: You are the only person who has a right to file a disputed claim with OPM. Parties acting as your representative, such as medical providers, must include a copy of your specific written consent with the review request.

Note: The above deadlines may be extended if you show that you were unable to meet the deadline because of reasons beyond your control.

5 OPM will review your disputed claim request and will use the information it collects from you and us to decide whether our decision is correct. OPM will send you a final decision within 60 days. There are no other administrative appeals.

If you do not agree with OPM's decision, your only recourse is to sue. If you decide to sue, you must file the suit against OPM in Federal court by December 31 of the third year after the year in which you received the disputed services, drugs, or supplies or from the year in which you were denied precertification or prior approval. This is the only deadline that may not be extended.

OPM may disclose the information it collects during the review process to support their disputed claim decision. This information will become part of the court record.

You may not sue until you have completed the disputed claims process. Further, Federal law governs your lawsuit, benefits, and payment of benefits. The Federal court will base its review on the record that was before OPM when OPM decided to uphold or overturn our decision. You may recover only the amount of benefits in dispute.

Note: **If you have a serious or life threatening condition** (one that may cause permanent loss of bodily functions or death if not treated as soon as possible), and

a) We haven't responded yet to your initial request for care or preauthorization/prior approval, then call our Member Services Department at (716) 631-8701 or 1-800-501-3439 or send a fax to (716) 635-3504, attention: Review Specialist and we may expedite our review; or

b) We denied your initial request for care or preauthorization/prior approval, then:

- If we expedite our review and maintain our denial, we will inform OPM so that they can give your claim expedited treatment too, or
- You may call OPM's Health Insurance Group 3 at (202) 606-0755 between 8 a.m. and 5 p.m. eastern time.

Section 9. Coordinating benefits with other coverage

When you have other health coverage

You must tell us if you or a covered family member has coverage under any other health plan or hasautomobile insurance that pays health care expenses without regard to fault. This is called "double coverage."

When you have double coverage, one plan normally pays its benefits in full as the primary payer and the other plan pays a reduced benefit as the secondary payer. We, like other insurers, determine which coverage is primary according to the National Association of Insurance Commissioners' guidelines.

When we are the primary payer, we will pay the benefits described in this brochure.

When we are the secondary payer, we will determine our allowance. After the primary plan pays, we will pay what is left of our allowance, up to our regular benefit. We will not pay more than our allowance.

If you or your health care provider fails to file a timely no-fault claim or take any other action necessary to receive no-fault benefits, we will not pay benefits for those expenses for which no-fault benefits would have been recoverable.

What is Medicare?

Medicare is a Health Insurance Program for:

- People 65 years of age or older;
- Some people with disabilities under 65 years of age; and
- People with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant).

Medicare has four parts:

- Part A (Hospital Insurance). Most people do not have to pay for Part A. If you or your spouse worked for at least 10 years in Medicare-covered employment, you should be able to qualify for premium-free Part A insurance. (If you were a Federal employee at any time both before and during January 1983, you will receive credit for your Federal employment before January 1983.) Otherwise, if you are age 65 or older, you may be able to buy it. Contact 1-800-MEDICARE for more information.
- Part B (Medical Insurance). Most people pay monthly for Part B. Generally, Part B premiums are withheld from your monthly Social Security check or your retirement check.
- Part C (Medicare Advantage). You can enroll in a Medicare Advantage plan to get your Medicare benefits. We offer a Medicare Advantage plan. Please review the information on coordinating benefits with Medicare Advantage plans on the next page.
- Part D (Medicare prescription drug coverage). There is a monthly premium for Part D coverage. If you have limited savings and a low income, you may be eligible for Medicare's Low-Income Benefits. For people with limited income and resources, extra help in paying for a Medicare prescription drug plan is available. Information regarding this program is available through the Social Security Administration (SSA). For more information about this extra help, visit SSA online at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778). Before enrolling in Medicare Part D, please review the important disclosure notice from us about the FEHB prescription drug coverage and Medicare. The notice is on the first inside page of this brochure. The notice will give you guidance on enrolling in Medicare Part D.

- **Should I enroll in Medicare?**

The decision to enroll in Medicare is yours. We encourage you to apply for Medicare benefits 3 months before you turn age 65. It's easy. Just call the Social Security Administration toll-free number 1-800-772-1213 to set up an appointment to apply. If you do not apply for one or more Parts of Medicare, you can still be covered under the FEHB Program.

If you can get premium-free Part A coverage, we advise you to enroll in it. Most Federal employees and annuitants are entitled to Medicare Part A at age 65 without cost. When you don't have to pay premiums for Medicare Part A, it makes good sense to obtain the coverage. It can reduce your out-of-pocket expenses as well as costs to the FEHB, which can help keep FEHB premiums down.

Everyone is charged a premium for Medicare Part B coverage. The Social Security Administration can provide you with premium and benefit information. Review the information and decide if it makes sense for you to buy the Medicare Part B coverage.

If you are eligible for Medicare, you may have choices in how you get your health care. Medicare Advantage is the term used to describe the various private health plan choices available to Medicare beneficiaries. The information in the next few pages shows how we coordinate benefits with Medicare, depending on whether you are in the Original Medicare Plan or a private Medicare Advantage plan.

- **The Original Medicare Plan (Part A or Part B)**

The Original Medicare Plan (Original Medicare) is available everywhere in the United States. It is the way everyone used to get Medicare benefits and is the way most people get their Medicare Part A and Part B benefits now. You may go to any doctor, specialist, or hospital that accepts Medicare. The Original Medicare Plan pays its share and you pay your share. Some things are not covered under Original Medicare, such as most prescription drugs (but coverage through private prescription drug plans are available).

When you are enrolled in Original Medicare along with this Plan, you still need to follow the rules in this brochure for us to cover your care. Your care must continue to be authorized by your primary care physician. We do not waive co-payments or coinsurance when you are enrolled in Medicare.

Claims process when you have the Original Medicare Plan – You will probably not need to file a claim form when you have both our Plan and the Original Medicare Plan.

When we are the primary payer, we process the claim first.

When Original Medicare is the primary payer, Medicare processes your claim first. In most cases, your claim will be coordinated automatically and we will then provide secondary benefits for covered charges. To find out if you need to do something to file your claim, call our Member Services Department at (716) 631-8701 or 1-800-501-3439 or visit our web site at www.independenthealth.com.

We do not waive any costs if the Original Medicare Plan is your primary payer.

- **Medicare Advantage (Part C)**

If you are eligible for Medicare, you may choose to enroll in and get your Medicare benefits from a Medicare Advantage plan. These are private health care choices (like HMOs and regional PPOs) in some areas of the country. To learn more about Medicare Advantage plans, contact Medicare at 1-800-MEDICARE (1-800-633-4227) or at www.medicare.gov.

If you enroll in a Medicare Advantage plan, the following options are available to you:

This Plan and our Medicare managed care plan: You may enroll in our Medicare Advantage plan and also remain enrolled in our FEHB plan. In this case, we do not waive any of our co-payments or coinsurance for your FEHB coverage.

This Plan and another plan's Medicare managed care plan: You may enroll in another plan's Medicare Advantage plan and also remain enrolled in our FEHB plan. We will still provide benefits when your Medicare Advantage plan is primary, even out of the Medicare Advantage plan's network and/or service area (if you use our Plan providers), but we will not waive any of our co-payments, coinsurance, or deductibles. If you enroll in a Medicare Advantage plan, tell us. We will need to know whether you are in the Original Medicare Plan or in a Medicare Advantage plan so we can correctly coordinate benefits with Medicare.

Suspended FEHB coverage to enroll in a Medicare Advantage plan: If you are an annuitant or former spouse, you can suspend your FEHB coverage to enroll in a Medicare Advantage plan, eliminating your FEHB premium. (OPM does not contribute to your Medicare Advantage plan premium.) For information on suspending your FEHB enrollment, contact your retirement office. If you later want to re-enroll in the FEHB Program, generally you may do so only at the next Open Season unless you involuntarily lose coverage or move out of the Medicare Advantage plan's service area.

- **Medicare prescription drug coverage (Part D)**

When we are the primary payer, we process the claim first. If you enroll in Medicare Part D and we are the secondary payer, we will review claims for your prescription drug costs that are not covered by Medicare Part D and consider them for payment under the FEHB plan.

HSA Qualified High Deductible Health Plans that include pharmacy coverage are not considered creditable coverage for participation in Medicare Prescription Part D Drug Plans. If you are nearing retirement age consult your plan administrator for a plan option to best meet your needs.

Medicare always makes the final determination as to whether they are the primary payer. The following chart illustrates whether Medicare or this Plan should be the primary payer for you according to your employment status and other factors determined by Medicare. It is critical that you tell us if you or a covered family member has Medicare coverage so we can administer these requirements correctly. **(Having coverage under more than two health plans may change the order of benefits determined on this chart.)**

Primary Payer Chart		
A. When you - or your covered spouse - are age 65 or over and have Medicare and you...	**The primary payer for the individual with Medicare is...**	
	Medicare	**This Plan**
1) Have FEHB coverage on your own as an active employee		✓
2) Have FEHB coverage on your own as an annuitant or through your spouse who is an annuitant	✓	
3) Have FEHB through your spouse who is an active employee		✓
4) Are a reemployed annuitant with the Federal government and your position is excluded from the FEHB (your employing office will know if this is the case) and you are not covered under FEHB through your spouse under #3 above	✓	
5) Are a reemployed annuitant with the Federal government and your position is not excluded from the FEHB (your employing office will know if this is the case) and...		
• You have FEHB coverage on your own or through your spouse who is also an active employee		✓
• You have FEHB coverage through your spouse who is an annuitant	✓	
6) Are a Federal judge who retired under title 28, U.S.C., or a Tax Court judge who retired under Section 7447 of title 26, U.S.C. (or if your covered spouse is this type of judge) and you are not covered under FEHB through your spouse under #3 above	✓	
7) Are enrolled in Part B only, regardless of your employment status	✓ for Part B services	✓ for other services
8) Are a Federal employee receiving Workers' Compensation disability benefits for six months or more	✓*	
B. When you or a covered family member...		
1) Have Medicare solely based on end stage renal disease (ESRD) and...		
• It is within the first 30 months of eligibility for or entitlement to Medicare due to ESRD **(30-month coordination period)**		✓
• It is beyond the 30-month coordination period and you or a family member are still entitled to Medicare due to ESRD	✓	
2) Become eligible for Medicare due to ESRD while already a Medicare beneficiary and...		
• This Plan was the primary payer before eligibility due to ESRD **(for 30 month coordination period)**		✓
• Medicare was the primary payer before eligibility due to ESRD	✓	
3) Have Temporary Continuation of Coverage (TCC) and...		
• Medicare based on age and disability	✓	
• Medicare based on ESRD **(for the 30 month coordination period)**		✓
• Medicare based on ESRD **(after the 30 month coordination period)**	✓	
C. When either you or a covered family member are eligible for Medicare solely due to disability and you...		
1) Have FEHB coverage on your own as an active employee or through a family member who is an active employee		✓
2) Have FEHB coverage on your own as an annuitant or through a family member who is an annuitant	✓	
D. When you are covered under the FEHB Spouse Equity provision as a former spouse	✓	

*Workers' Compensation is primary for claims related to your condition under Workers' Compensation.

TRICARE and CHAMPVA

TRICARE is the health care program for eligible dependents of military persons, and retirees of the military. TRICARE includes the CHAMPUS program. CHAMPVA provides health coverage to disabled Veterans and their eligible dependents. IF TRICARE or CHAMPVA and this Plan cover you, we pay first. See your TRICARE or CHAMPVA Health Benefits Advisor if you have questions about these programs.

Suspended FEHB coverage to enroll in TRICARE or CHAMPVA: If you are an annuitant or former spouse, you can suspend your FEHB coverage to enroll in one of these programs, eliminating your FEHB premium. (OPM does not contribute to any applicable plan premiums.) For information on suspending your FEHB enrollment, contact your retirement office. If you later want to re-enroll in the FEHB Program, generally you may do so only at the next Open Season unless you involuntarily lose coverage under TRICARE or CHAMPVA.

Workers' Compensation

We do not cover services that:

- You need because of a workplace-related illness or injury that the Office of Workers' Compensation Programs (OWCP) or a similar Federal or State agency determines they must provide; or
- OWCP or a similar agency pays for through a third-party injury settlement or other similar proceeding that is based on a claim you filed under OWCP or similar laws.

Once OWCP or similar agency pays its maximum benefits for your treatment, we will cover your care.

Medicaid

When you have this Plan and Medicaid, we pay first.

Suspended FEHB coverage to enroll in Medicaid or a similar State-sponsored program of medical assistance: If you are an annuitant or former spouse, you can suspend your FEHB coverage to enroll in one of these State programs, eliminating your FEHB premium. For information on suspending your FEHB enrollment, contact your retirement office. If you later want to re-enroll in the FEHB Program, generally you may do so only at the next Open Season unless you involuntarily lose coverage under the State program.

When other Government agencies are responsible for your care

We do not cover services and supplies when a local, State, or Federal government agency directly or indirectly pays for them.

When others are responsible for injuries

When you receive money to compensate you for medical or hospital care for injuries or illness caused by another person, you must reimburse us for any expenses we paid. However, we will cover the cost of treatment that exceeds the amount you received in the settlement.

If you do not seek damages you must agree to let us try. This is called subrogation. If you need more information, contact us for our subrogation procedures.

When you have Federal Employees Dental and Vision Insurance Plan (FEDVIP)

Some FEHB plans already cover some dental and vision services. When you are covered by more than one vision/dental plan. Coverage provided under your FEHB plan remains as your primary coverage. FEDVIP coverage pays secondary to that coverage. When you enroll in a dental and/or vision plan on BENEFEDS.com you will be asked to provide information on your FEHB plan so that your plans can coordinate benefits. Providing your FEHB information may reduce your out-of-pocket cost.

Section 10. Definitions of terms we use in this brochure

Allowable Expense	The necessary, reasonable, and customary item of expense for covered health care.
Calendar year	January 1 through December 31 of the same year. For new enrollees, the calendar year begins on the effective date of their enrollment and ends on December 31 of the same year.
Coinsurance	Coinsurance is the percentage of our allowable expense that you must pay for certain types of care. See page 16.
Copayment	A copayment is a fixed amount of money you pay to the provider, facility, pharmacy, etc., when you receive services. See page 16.
Cost-sharing	Cost-sharing is the general term used to refer to your out-of-pocket costs (e.g., deductible, coinsurance, and copayments) for the covered care you receive.
Covered services	Care we provide benefits for, as described in this brochure.
Custodial care	Custodial care is care which does not require the continuing attention of a trained medical person. Examples of custodial care are activities of daily living, such as bathing, dressing, feeding and toileting. Custodial care is not covered under this contract.
Deductible	We do not have a deductible except as noted under the POS and HDHP benefit. It is the amount which you must pay for covered health care services before our obligation to pay begins in a calendar year. The deductible is determined by the date a claim is processed by us, not the date services were rendered.
Dental fund	Your HDHP dental fund is an established benefit amount, which is available for you to use to pay for covered dental expenses during each calendar year. Whether you have an HSA or an HRA account, you are entitled to the annual Dental fund.
Experimental or investigational service	Medical, surgical or other treatments, procedures, techniques, and drug or pharmacological therapies that have not yet been proven to be safe and efficacious treatment. We do not cover procedures that are ineffective or are in a stage of being tested or researched with question(s) as to safety and efficacy.
Health Reimbursement Arrangement (HRA)	HRAs are employer-funded accounts that repay employees' unreimbursed medical expenses (e.g. deductibles).
Health Savings Account (HSA)	An HSA is a tax-exempt savings vehicle available to individuals covered by a high deductible health plan (HDHP). Funds in the account are used to pay for qualified medical expenses.
High Deductible Health Plan (HDHP)	HDHP is a consumer driven health plan that combines a preferred provider organization (PPO) health plan with separate medical and dental funds that help you pay for covered medical and dental expenses. This new type of health plan product combines HDHP health care coverage with a tax-advantaged program to help you build savings for future medical needs.
Home Health Agency	A public or private agency that specializes in giving skilled nursing services in the home.
Medical Director	This person is a licensed provider that we have designated to exercise general supervision over medical care.
Medical necessity	Medical necessity is the term we use for health services that are required to preserve and maintain your health as determined by acceptable standards of medical practice. Independent Health's Medical Director has the right to determine whether any health care rendered to you meets medical necessity criteria.

Out-of-Network Services	A term that applies to POS and HDHP benefits. These are services from non plan providers.
Out-of-Pocket-Maximum	The dollar limit (or ceiling) that you are responsible for in a calendar year. The Out-of-Pocket-Maximum applies only to POS and HDHP insurance.
Point of Service (POS) Benefits	Coverage that we provide for covered services from non plan providers.
Preauthorization	Authorization from us that a provider must obtain prior to receiving any of the services that are identified in this brochure as needing preauthorization.
Precertification	Certification that you must obtain from us prior to receiving any of the services that are identified in this brochure as needing precertification in order to receive the maximum allowable coverage.
Private Duty Nursing	Care provided by an LPN or RN and required when the member has a continuous skilled need as opposed to an intermittent skilled need such as a dressing change. Private duty nursing is care that is provided in shifts as opposed to an episodic skilled nursing visit in the member's home. Private Duty Nursing is not covered under this Contract.
Step Therapy	A process of trying to determine the most efficient way to treat a patient via use of protocols that call for one type of medication or therapy use before proceeding to something more difficult or expensive. This may mean that two medications are used together if they are more effective.
UCR	UCR means Usual, Customary and Reasonable (UCR). Usual rate means the fee regularly charged and received for a given service or supply by a provider. Customary and Reasonable means the fee for a service or supply that Independent Health determines is the most standard and reasonable amount charged by providers in the locality where the charge for such service or supply is incurred. Locality means an area whose size is large enough, in Independent Health's judgment, to give an accurate representation of standard charges for that type of service or supply. Our allowance is based on the lesser of the non-plan provider's charges, the negotiated rate, or the 90th percentile of UCR.
Us/We	"Us" and "We" refer to Independent Health.
You	"You" refers to the enrollee and each covered family member.

Section 11. FEHB Facts

Coverage information

No pre-existing condition limitation

We will not refuse to cover the treatment of a condition you had before you enrolled in this Plan solely because you had the condition before you enrolled.

Where you can get information about enrolling in the FEHB Program

See www.opm.gov/insure/health for enrollment information as well as:

- Information on the FEHB Program and plans available to you
- A health plan comparison tool
- A list of agencies who participate in Employee Express
- A link to Employee Express
- Information on and links to other electronic enrollment systems

Also, your employing or retirement office can answer your questions, and give you a *Guide to Federal Benefits,* brochures for other plans, and other materials you need to make an informed decision about your FEHB coverage. These materials tell you:

- When you may change your enrollment;
- How you can cover your family members;
- What happens when you transfer to another Federal agency, go on leave without pay, enter military service, or retire;
- What happens when your enrollment ends; and
- When the next open season for enrollment begins.

We don't determine who is eligible for coverage and, in most cases, cannot change your enrollment status without information from your employing or retirement office.

Types of coverage available for you and your family

Self Only coverage is for you alone. Self and Family coverage is for you, your spouse, and your unmarried dependent children under age 22, including any foster children or stepchildren your employing or retirement office authorizes coverage for. Under certain circumstances, you may also continue coverage for a disabled child 22 years of age or older who is incapable of self-support.

If you have a Self Only enrollment, you may change to a Self and Family enrollment if you marry, give birth, or add a child to your family. You may change your enrollment 31 days before to 60 days after that event. The Self and Family enrollment begins on the first day of the pay period in which the child is born or becomes an eligible family member. When you change to Self and Family because you marry, the change is effective on the first day of the pay period that begins after your employing office receives your enrollment form; benefits will not be available to your spouse until you marry.

Your employing or retirement office will **not** notify you when a family member is no longer eligible to receive benefits, nor will we. Please tell us immediately when you add or remove family members from your coverage for any reason, including divorce, or when your child under age 22 marries or turns 22.

If you or one of your family members is enrolled in one FEHB plan, that person may not be enrolled in or covered as a family member by another FEHB plan.

Children's Equity Act

OPM has implemented the Federal Employees Health Benefits Children's Equity Act of 2000. This law mandates that you be enrolled for Self and Family coverage in the FEHB Program, if you are an employee subject to a court or administrative order requiring you to provide health benefits for your child(ren).

If this law applies to you, you must enroll for Self and Family coverage in a health plan that provides full benefits in the area where your children live or provide documentation to your employing office that you have obtained other health benefits coverage for your children. If you do not do so, your employing office will enroll you involuntarily as follows:

- If you have no FEHB coverage, your employing office will enroll you for Self and Family coverage in the Blue Cross and Blue Shield Service Benefit Plan's Basic Option;
- If you have a Self Only enrollment in a fee-for-service plan or in an HMO that serves the area where your children live, your employing office will change your enrollment to Self and Family in the same option of the same plan; or
- If you are enrolled in an HMO that does not serve the area where the children live, your employing office will change your enrollment to Self and Family in the Blue Cross and Blue Shield Service Benefit Plan's Basic Option.

As long as the court/administrative order is in effect, and you have at least one child identified in the order who is still eligible under the FEHB Program, you cannot cancel your enrollment, change to Self Only, or change to a plan that doesn't serve the area in which your children live, unless you provide documentation that you have other coverage for the children. If the court/administrative order is still in effect when you retire, and you have at least one child still eligible for FEHB coverage, you must continue your FEHB coverage into retirement (if eligible) and cannot cancel your coverage, change to Self Only, or change to a plan that doesn't serve the area in which your children live as long as the court/administrative order is in effect. Contact your employing office for further information.

When benefits and premiums start

The benefits in this brochure are effective January 1. If you joined this Plan during Open Season, your coverage begins on the first day of your first pay period that starts on or after January 1. **If you changed plans or plan options during Open Season and you receive care between January 1 and the effective date of coverage under your new plan or option, your claims will be paid according to the 2008 benefits of your old plan or option.** However, if your old plan left the FEHB Program at the end of the year, you are covered under that plan's 2007 benefits until the effective date of your coverage with your new plan. Annuitants' coverage and premiums begin on January 1. If you joined at any other time during the year, your employing office will tell you the effective date of coverage.

When you retire

When you retire, you can usually stay in the FEHB Program. Generally, you must have been enrolled in the FEHB Program for the last five years of your Federal service. If you do not meet this requirement, you may be eligible for other forms of coverage, such as Temporary Continuation of Coverage (TCC).

When you lose benefits

When FEHB coverage ends

You will receive an additional 31 days of coverage, for no additional premium, when:

- Your enrollment ends, unless you cancel your enrollment, or
- You are a family member no longer eligible for coverage.

Any person covered under the 31 day extension of coverage who is confined in a hospital or other institution for care or treatment on the 31st day of the temporary extension is entitled to continuation of the benefits of the Plan during the continuance of the confinement but not beyond the 60th day after the end of the 31 day temporary extension.

You may be eligible for spouse equity coverage or Temporary Continuation of Coverage (TCC), or a conversion policy (a non-FEHB individual policy.)

Upon divorce

If you are divorced from a Federal employee or annuitant, you may not continue to get benefits under your former spouse's enrollment. This is the case even when the court has ordered your former spouse to provide health coverage for you. However, you may be eligible for your own FEHB coverage under either the spouse equity law or Temporary Continuation of Coverage (TCC). If you are recently divorced or are anticipating a divorce, contact your ex-spouse's employing or retirement office to get RI 70-5, the *Guide to Federal Employees Health Benefits Plans for Temporary Continuation of Coverage and Former Spouse Enrollees,* or other information about your coverage choices. You can also download the guide from OPM's Web site, www.opm.gov/insure.

Temporary Continuation of Coverage (TCC)

If you leave Federal service, or if you lose coverage because you no longer qualify as a family member, you may be eligible for Temporary Continuation of Coverage (TCC). For example, you can receive TCC if you are not able to continue your FEHB enrollment after you retire, if you lose your Federal job, if you are a covered dependent child and you turn 22 or marry, etc.

You may not elect TCC if you are fired from your Federal job due to gross misconduct.

Enrolling in TCC. Get the RI 79-27, which describes TCC, and the RI 70-5, the *Guide to Federal Employees Health Benefits Plans for Temporary Continuation of Coverage and Former Spouse Enrollees,* from your employing or retirement office or from www.opm.gov/insure. It explains what you have to do to enroll.

Converting to individual coverage

You may convert to a non-FEHB individual policy if:

- Your coverage under TCC or the spouse equity law ends (If you canceled your coverage or did not pay your premium, you cannot convert);
- You decided not to receive coverage under TCC or the spouse equity law; or
- You are not eligible for coverage under TCC or the spouse equity law.

If you leave Federal service, your employing office will notify you of your right to convert. You must apply in writing to us within 31 days after you receive this notice. However, if you are a family member who is losing coverage, the employing or retirement office will **not** notify you. You must apply in writing to us within 31 days after you are no longer eligible for coverage.

Your benefits and rates will differ from those under the FEHB Program; however, you will not have to answer questions about your health, and we will not impose a waiting period or limit your coverage due to pre-existing conditions.

Getting a Certificate of Group Health Plan Coverage

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) is a Federal law that offers limited Federal protections for health coverage availability and continuity to people who lose employer group coverage. If you leave the FEHB Program, we will give you a Certificate of Group Health Plan Coverage that indicates how long you have been enrolled with us. You can use this certificate when getting health insurance or other health care coverage. Your new plan must reduce or eliminate waiting periods, limitations, or exclusions for health related conditions based on the information in the certificate, as long as you enroll within 63 days of losing coverage under this Plan. If you have been enrolled with us for less than 12 months, but were previously enrolled in other FEHB plans, you may also request a certificate from those plans.

For more information, get OPM pamphlet RI 79-27, *Temporary Continuation of Coverage (TCC) under the FEHB Program.* See also the FEHB Web site at www.opm.gov/insure/health; refer to the "TCC and HIPAA" frequently asked questions. These highlight HIPAA rules, such as the requirement that Federal employees must exhaust any TCC eligibility as one condition for guaranteed access to individual health coverage under HIPAA, and information about Federal and State agencies you can contact for more information.

Section 12. Three Federal Programs complement FEHB benefits

Important information

OPM wants to be sure you are aware of three Federal programs that complement the FEHB Program.

First, the **Federal Flexible Spending Account Program,** also known as **FSAFEDS**, lets you set aside pre-tax money from your salary to reimburse you for eligible dependent care and/or health care expenses. The result can be a discount of 20% to more than 40% on services/products you routinely pay for out-of-pocket.

Second, the **Federal Employees Dental and Vision Insurance Program (FEDVIP)**, provides comprehensive dental and vision insurance at competitive group rates. There are several plans from which to choose. Under **FEDVIP** you may choose self only, self plus one, or self and family coverage for yourself and any qualified dependents.

Third, **Long Term Care Insurance Program (FLTCIP)** helps cover long term care costs, which are not covered under the FEHB Program.

The Federal Flexible Spending Account Program - FSAFEDS

What is an FSA?

It is a tax-favored benefit that allows you to set aside pre-tax money from your salary that will reimburse you for a variety of eligible expenses. **Annuitants are not eligible to enroll.**

There are three types of FSAs offered by FSAFEDS. Each type has a minimum annual election of $250 and a maximum annual election of $5,000.

- **Health Care FSA (HCFSA)** – Reimburses you for eligible health care expenses (such as copayments, deductibles, over-the-counter medications and products, vision and dental expenses, and much more) for you and your dependents, which are not covered or reimbursed by FEHBP or FEDVIP coverage or any other insurance.
- **Limited Expense Health Care FSA (LEX HCFSA)** – Designed for employees enrolled in or covered by a High Deductible Health Plan with a Health Savings Account. Eligible expenses are limited to dental and vision care expenses for you and your dependents, which are not covered or reimbursed, by FEHBP or FEDVIP coverage or any other insurance.
- **Dependent Care FSA(DCFSA)** – Reimburses your for eligible non-medical day care expenses for your child(ren) under age 13 and/or for any person you claim as a dependent on your Federal Income Tax return you is mentally or physically incapable of self-care. You (and your spouse if married) must be working, looking for work (income must be earned during the year), or attending school full-time to be eligible for a DCFSA.

Where can I get more information about FSAFEDS?

Visit www.FSAFEDS.com or call an FSAFEDS Benefits Counselor toll-free at 1-877-FSAFEDS (1-877-372-3337), Monday through Friday, 9 a.m. until 9 p.m., Eastern Time. TTY: 1-800-952-0450.

The Federal Employees Dental and Vision Insurance Program - FEDVIP

Important Information

The Federal Employees Dental and Vision Insurance Program (FEDVIP) is a program, seperate and different from the FEHB Program, established by the Federal Employee Dental and Vision Benefits Enhancement Act of 2004. This Program provides comprehensive dental and vision insurance at competitive group rates with no pre-existing condition limitations.

FEDVIP is available to eligible Federal and Postal Service employees, retirees, and their eligible family members on an enrollee-pay-all basis. Employee premiums are witheld from salary on a pre-tax basis.

Dental Insurance

Dental plans provide a comprehensive range of services, including the following:

- Class A (Basic) services, which include oral examinations, prophylaxis, diagnostic evaluations, sealants and x-rays.
- Class B (Intermediate) services, which include restorative procedures such as fillings, prefabricated stainless steel crowns, periodontal scaling, tooth extractions, and denture adjustments.
- Class C (Major) services, which include endodontic services such as root canals, periodontal services such as gingivectomy, major restorative services such as crowns, oral surgery, bridges and prosthodontic services such as complete dentures.
- Class D (Orthodontic) services with up to a 24-month waiting period.

Vision Insurance

Vision plans provide comprehensive eye examinations and coverage for lenses, frames and contact lenses. Other benefits such as discounts on LASIK surgery may also be available.

Additional Information

You can find a comparison of the plans available and their premiums on the OPM website at www.opm.gov/insure/dental/vision. This site also provides links to each plan's website, where you can view detailed information about benefits and preferred providers.

How do I enroll?

You enroll on the Internet at www.BENEFEDS.com. For those without access to a computer, call 1-877-888-3337 (TTY number, 1-877-889-5680).

The Federal Long Term Care Insurance Program - FLTCIP

It's important protection

The Federal Long Term Care Insurance Program (FLTCIP) can help you pay for the potentially high cost of long term care services, which are not covered by FEHB plans. Long term care is help you receive to perform activities of daily living - such as bathing or dressing yourself - or supervision you receive because of a severe cognitive impairment. To qualify for coverage under the FLTCIP you must apply and pass a medical screening (called underwriting). Certain medical conditions, or combinations of conditions, will prevent some people from being approved for coverage. You must apply to know if you will be approved for enrollment. To request an Information Kit and application, call 1-800-LTC-FEDS (1-800-582-3337) (TTY 1-800-843-3557) or visit www.ltcfeds.com.

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Summary of benefits for Independent Health HMO with POS - 2009

- **Do not rely on this chart alone.** All benefits are provided in full unless indicated and are subject to the definitions, limitations, and exclusions in this brochure. On this page we summarize specific expenses we cover; for more detail, look inside.
- If you want to enroll or change your enrollment in this Plan, be sure to put the correct enrollment code from the cover on your enrollment form.
- Under the HMO benefits, we only cover services provided or arranged by Plan providers, except in emergencies. This summary reflects the HMO benefits.
- Under the POS benefits, you may obtain benefits for out-of-network services as described in Section 5(i). POS benefits are subject to an annual deductible of $500 and coinsurance. Please refer to Section 5(i) for information.

High Option Benefits	You pay	Page
Medical services provided by physicians:		
Diagnostic and treatment services provided in the office	Office visit copay: $20 primary care; $20 specialist	20
Services provided by a hospital:		
• **Inpatient**	$250; 1 per individual, 2 per family per calendar year	34
• **Outpatient**	$20 per visit	35
Emergency benefits:		
• **In-area**	$20 per physician's office visit; $50 hospital emergency room visit; $35 per participating after hours care center visit	37
• **Out-of-area**	$20 plus difference (if any) in Plan's payment for doctor's and urgent care center visits; $50 hospital emergency room visit	38
Mental health and substance abuse treatment:	Regular cost sharing	39
Prescription drugs:		
• Retail pharmacy - 30 day supply	$10 Tier 1, $20 Tier 2, or $35 Tier 3 drugs per prescription unit or refill	41
Dental care: For accidental injury to sound natural teeth or for congenital disease or anomaly	$20 per office visit	44
Special features:	Medical Help Line, Transplant Facilities, World-Wide Travel Benefits	45
Point of Service benefits:	Deductibles and Coinsurance	46
Protection against catastrophic costs (out-of-pocket maximum)**:**	$2,000 self-only/$4,000 self and family for covered services	16

Summary of benefits for the HDHP of Independent Health - 2009

Do not rely on this chart alone. All benefits are subject to the definitions, limitations, and exclusions in this brochure. On this page we summarize specific expenses we cover; for more detail, look inside. If you want to enroll or change your enrollment in this Plan, be sure to put the correct enrollment code from the cover on your enrollment form.

In 2009 for each month you are eligible for the HSA, we will deposit $66.41 per month for Self Only enrollment or $166.66 per month for Self and Family enrollment to your HSA. Once you satisfy your calendar year deductible, Traditional medical coverage begins. For the Health Reimbursement Arrangement (HRA), your health charges are able to be applied to your monthly HRA Fund of $66.41 for Self Only and $166.66 for Self and Family. Once your calendar year deductible is satisfied, Other medical coverage begins.

Below, an asterisk (*) means the item is subject to the deductible of $2,000 for Self Only and $4,000 for Self and Family enrollment per calendar year. Please see Section 5 – Preventive Care where the deductible does not apply. You are responsible for any difference between our payment and the actual charges if you use a non-participating physician or other health care professional.

HDHP Benefits	You Pay	Page
Medical services provided by physicians:		
Diagnostic and treatment services provided in the office * (see Section 5 for specific benefit information and applicable fees)	In-network - $15 per office visit or 20% coinsurance for certain procedures Out-of-network – 40% coinsurance	65
Services provided by a hospital:		
• Inpatient *	In-network – Nothing Out-of-network – 40% coinsurance	79
• Outpatient *	In-network – 20% coinsurance Out-of-network – 40% coinsurance	80
Emergency benefits:		
• In-area *	20% coinsurance	82
• Out-of-area *	20% coinsurance	83
Mental health and substance abuse treatment *	20% in-network coinsurance or 40% out-of-network coinsurance	84
Prescription drugs:		
• Retail pharmacy - 30 day supply *	$7 Tier 1; $25 Tier 2 ; $40 Tier 3 drugs per prescription unit or refill	86
Dental care: For accidental injury to sound natural teeth or for congenital disease or anomaly *	$15 per office visit (please see Section 5 for specific information and applicable fees)	89
Dental Fund: Annual dental fund	$300 Self/$600 Self and Family	89
Special features:	Medical Help Line, Transplant Centers of Excellence, World-Wide Travel Benefits	90
Protection against catastrophic costs (out-of-pocket maximum)**:**	$5,000 Self Only/$10,000 Self and Family	53

2009 Rate Information for Independent Health

Non-Postal rates apply to most non-Postal employees. If you are in a special enrollment category, refer to the Guide to Federal Benefits for that category or contact the agency that maintains your health benefits enrollment.

Postal rates apply to career Postal Service employees. Most employees should refer to the Guide to Benefits *for career* United States Postal Service Employees, RI 70-2, and to the rates shown below.

The rates shown below do not apply to *Postal* Service Inspectors, Office of Inspector General (OIG) employees and Postal Service Nurses. Postal Service Inspectors and OIG employees should refer to the *Guide to Benefits for United States Postal Inspectors and Office of Inspector General Employees* (RI 70-21N). Postal Service Nurses should refer to the *Guide to Benefits for United States Postal Nurses* (RI 70-2NU).

Postal rates do not apply to non-career postal employees, postal retirees, or associate members of any postal employee organization who are not career postal employees. Refer to the applicable FEHB Guide.

Type of Enrollment	Enrollment Code	Non-Postal Premium				Postal Premium	
		Biweekly		Monthly		Biweekly	
		Gov't Share	Your Share	Gov't Share	Your Share	USPS Share	Your Share
High Option Self Only	QA1	$155.33	$51.77	$336.54	$112.18	$179.14	$27.96
High Option Self and Family	QA2	$352.56	$194.06	$763.88	$420.46	$406.42	$140.20
HDHP Option Self Only	QA3	$128.63	$42.88	$278.71	$92.90	$148.36	$23.15
HDHP Option Self and Family	QA4	$322.09	$107.36	$697.86	$232.62	$371.47	$57.98