



# BlueSelect<sup>®</sup> Plus

PPO "Plus" HEALTH PLANS OUTLINE OF COVERAGE

HEALTH PLANS *for Individuals & Families*

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### **YOU SHOULD READ YOUR POLICY CAREFULLY.**

### **THIS OUTLINE OF BLUE SELECT PLUS COVERAGE PROVIDES A BRIEF DESCRIPTION OF THE IMPORTANT FEATURES OF YOUR POLICY.**

This is not your policy. Only the actual benefit provisions in your policy will determine your benefits. The policy itself sets forth in detail the rights and obligations of both you and Wellmark Blue Cross and Blue Shield of South Dakota.

### **THEREFORE, IT IS IMPORTANT THAT YOU READ YOUR POLICY CAREFULLY.**

Premium payments may be made on a calendar month, calendar quarter, semi-annual calendar year or calendar year basis. For example, a monthly premium would be for the first day of a month through the last day of such month. A quarterly payment would be for any calendar quarterly period, such as January 1 through March 31. A semi-annual payment would be for the period of either January 1 through June 30 or July 1 through December 31. An annual premium would be for January 1 through December 31 of the applicable year.

**Blue Select Plus** Plans outlined here and detailed in the policies are designed to provide you coverage for hospital, medical, and surgical expenses incurred as a result of a covered illness or injury. Coverage is provided for daily hospital room and board, miscellaneous hospital services, surgical services, anesthesia services, in-hospital medical services, and out-of-hospital care. Covered services are subject to deductible, coinsurance, and copayment provisions, or other limitations set forth in the policy. Blue Select Plus policies are supported by the Wellmark Blue Select provider network in which 99% of doctors and 98% of hospitals in South Dakota participate.\*

This coverage is available to you ("single" coverage) or to you and your family ("family" coverage, including your spouse and/or unmarried dependent children). You will pay the premium for coverage directly to Wellmark.

### DEDUCTIBLE

A deductible is the fixed dollar amount you pay for covered services before benefits are available.

### FAMILY DEDUCTIBLE

The family deductible can be met through any combination of family members. No one member will be required to meet more than the single deductible amount before he or she receives benefits for a covered service during a benefit period.

*Note:* MRI, PET scan, CAT scan, radiation therapy, chemotherapy, and vasectomy including anesthesia are subject to deductible and coinsurance, even if performed in the office.

### COINSURANCE

Coinsurance is the amount, calculated using a fixed percentage, you pay each time you receive services. The provider you choose affects how your coinsurance is calculated.

Coinsurance is based on:

- The payment arrangement amount minus deductible and contract limitations for all covered services provided by providers in South Dakota and Iowa.
- The local Blue Cross and Blue Shield Plan's payment arrangement amount minus deductible and contract limitations for covered services received outside of South Dakota and Iowa.

*Note:* MRI, PET scan, CAT scan, radiation therapy, chemotherapy, and vasectomy including anesthesia are subject to deductible and coinsurance, even if performed in the office.

### OFFICE COPAYMENT

Copayment is the specific amount you pay at the time you receive a covered service. If you have a \$30 copayment, you pay \$30 each time you go to the doctor's office.

You are not required to pay deductible or coinsurance for most covered office services performed in a Blue Select practitioner's office. You are only responsible for the applicable copayment, depending on which Blue Select Plus plan you choose. *Note:* Some laboratory testing performed in the office is sent outside the office for processing.

- If lab testing is sent to a Select or BlueCard PPO practitioner for processing, an additional office visit copayment will apply to the lab testing.
- If lab testing is sent to a Select or BlueCard PPO facility for processing, deductible and coinsurance will apply.
- If lab testing is sent to a non-Select or non-BlueCard PPO practitioner or facility for processing, deductible and higher coinsurance will apply.

*Note:* MRI, PET scan, CAT scan, radiation therapy, chemotherapy, and vasectomy including anesthesia are subject to deductible and coinsurance, even if performed in the office.

### EMERGENCY ROOM COPAYMENT

This is the specific amount you pay each time you have an Emergency Room visit instead of deductible and coinsurance. This copayment amount applies to emergency room related facility and practitioner charges. The copayment is waived if you are admitted as an inpatient to a hospital immediately following emergency room services and all charges then revert to the applicable deductible and coinsurance. This copayment does not apply toward the out-of-pocket maximum and continues after the out-of-pocket maximum is met.

### OUT-OF-POCKET MAXIMUM

The maximum amount you pay for covered services in a benefit period is called the out-of-pocket maximum. Your out-of-pocket maximum equals the deductible and coinsurance amounts you pay during a benefit period. You will pay more than this amount if you receive services from a provider who does not accept our payment arrangement amount (a "non-participating" or "out-of-network" provider), or if you receive services that are subject to limitations.

### LIFETIME BENEFIT MAXIMUM

In a covered person's lifetime, total benefits accumulated under this policy and any other individual policy issued by Wellmark are limited to \$5,000,000.

### PROVIDER PAYMENT ARRANGEMENTS

We use various methods to determine payment arrangements, including negotiated fees, based upon our contracting relationships with providers. These payment arrangements usually result in savings and can affect how your coinsurance is calculated.

**Billed Charge** — The amount a provider bills for any services whether or not they are covered under your policy.

**Covered Charge** — The amount a provider bills for services covered under your policy.

**Maximum Allowable Fee** — The amount we establish, using various methodologies, for covered services.

**Balance Billing** — The difference between a provider's charge and our maximum allowable fee for a specific service, procedure, or product. When you visit a non-participating provider, you are responsible for this difference. Balance billed amounts do not apply toward your deductible or out-of-pocket maximum. You are responsible for 100% of balance billed amounts.

\*Wellmark Provider Relations December 2006

### BLUE SELECT PROVIDER NETWORK

Blue Select is a preferred provider organization, a unique network of contracted providers that offers financial incentives to seek care from those providers. Some key features of Blue Select:

- You may see any provider you choose – in South Dakota or outside the state, but you have financial incentives to see Blue Select or BlueCard PPO providers.
- The coinsurance you pay is less for services from Blue Select providers.
- The deductible and coinsurance are waived for most office services from Blue Select practitioners; a copayment applies instead.

- Blue Select providers accept our settlement as payment in full for covered services.
- Blue Select providers take care of necessary notification requirements.

In the event of an emergency, if you cannot reasonably reach a Blue Select provider, covered emergency care will be reimbursed as though the services were received from a Blue Select provider, subject to certain restrictions. You are responsible for any excess of the provider's billed charge over our settlement amount.

## BlueSelect

### PLUS PLANS

The Blue Select Plus Plans featured in this outline of coverage have varying benefits.

You may select one of the plans below:

Deductible	1500 Plus	2000 Plus	2500 Plus	5000 Plus	7500 Plus
<b>Deductible</b>					
Single	\$1,500	\$2,000	\$2,500	\$ 5,000	\$ 7,500
Two-Person	\$3,000	\$4,000	\$5,000	\$10,000	\$15,000
Family	\$4,500	\$6,000	\$7,500	\$15,000	\$22,500
<b>Coinsurance - You Pay</b>					
Select Providers	20%	20%	30%	30%	30%
Non-Select Providers	40%	40%	50%	50%	50%
<b>Out-of-Pocket Maximum (OPM)</b>					
Single	\$ 3,500	\$ 4,000	\$ 5,000	\$ 8,000	\$11,000
Two-Person	\$ 7,000	\$ 8,000	\$10,000	\$16,000	\$22,000
Family	\$10,500	\$12,000	\$15,000	\$24,000	\$33,000
<b>Office Copayment - You Pay*</b>	\$25	\$25	\$30	\$30	\$30
<b>Emergency Room Copayment</b>	\$150	\$150	\$150	\$200	\$200
<b>Preventive</b>	Yes	Yes	Yes	Yes	Yes
<b>Maternity</b>	Yes	Yes	No**	No**	No**
<b>Mental Health Treatment</b>	Yes	Yes	Yes	Yes	Yes
<b>Alcohol/Chemical Dependency Treatment***</b>	Yes	Yes	Alcoholism only	Alcoholism only	Alcoholism only

**Prescription Drugs --** Most prescription drugs are covered under your managed drug program, Blue Rx Preferred, and not under health coverage. See page 12 for additional information on your managed drug program, Blue Rx Preferred.

\* MRI, PET/CAT, radiation therapy, chemotherapy, and vasectomy including anesthesia are subject to deductible and coinsurance and not an office copayment.

\*\* These plans only cover complications of pregnancy.

\*\*\* Covered subject to limitations shown on page 7.

# Benefits

## APPROVED HOSPITAL/HEALTH CARE FACILITY SERVICES

The Blue Select Plus program provides coverage for medically necessary services and supplies related to the treatment of an illness or injury when care is received as an inpatient in a facility. Approved health care facilities include ambulatory surgical facilities, community mental health centers, facilities for treatment of chemical dependency, hospitals, and nursing facilities.

*Note:* Even though a facility may contract with the Blue Select Plus program, other providers within the facility, such as emergency room physicians, anesthetists, home medical equipment suppliers, and others may not contract with the Blue Select Plus program. It is a good idea to ask if the provider contracts with Blue Select before you receive covered services.

## FACILITY SERVICES

The following list describes approved facility services that are covered on an inpatient and outpatient basis, unless specifically stated otherwise.

- Accidental injury services
- Anesthetics and their administration
- Anesthesia and hospital charges for dental care, whether services are provided in a hospital or a dental office, for a member who:
  - 1) is under age 14; or
  - 2) is severely disabled or otherwise suffers from a developmental disability as determined by a licensed physician which places such person at serious risk.
- Blood administration
- Chemotherapy services
- Complications of pregnancy
- Corneal grafts
- Dietary services—but only as an inpatient or when prescribed by a physician for treatment of Phenylketonuria (PKU)
- Dressings and casts
- Drugs and biologicals
- Hemodialysis services
- Inhalation therapy
- Intravenous injections and solutions
- Medical emergency care
- Medical and surgical supplies

- Mental health and chemical dependency services (for 2500 Plus, 5000 Plus and 7500 Plus, treatment of chemical dependency only includes alcoholism treatment)
- Occupational therapy—limited to treatment of the upper extremities
- Physical therapy
- Rooms—including general nursing care and meals as an inpatient, or meals when prescribed by a physician for the treatment of Phenylketonuria (PKU)
- Routine maternity care, including delivery room (for 1500 Plus and 2000 Plus only)
- Special care units including burn care units, cardiac care units, delivery rooms, intensive care units, isolation rooms, operating rooms, and recovery rooms
- Speech therapy—limited to restoration of loss due to illness or injury and services provided inside a facility or coordinated through home health services

## APPROVED PRACTITIONER SERVICES

Some approved practitioners include: certified registered nurse anesthetists, chiropractors, dentists, doctors of osteopathy, licensed independent social workers, medical doctors, nurse midwives, nurse practitioners, occupational therapists, optometrists, oral surgeons, physical therapists, physician assistants, podiatrists, psychologists, and qualified mental health professionals. The following list describes approved practitioner services:

- Accidental injury services
- Anesthetics and their administration
- Assisting surgeon services
- Chemotherapy services
- Concurrent care
- Consultation services
- Corneal grafts
- Dental treatment for accidental injury
- Diagnostic screening for prostate cancer including:
  - 1) An annual medically recognized diagnostic examination, including a digital rectal examination and a prostate specific antigen test, for:
    - a. Asymptomatic men age 50 and over; and

- b. Men age 45 and over at high risk for prostate cancer; and
  - 2) Males of any age who have a prior history of prostate cancer, medically indicated diagnostic testing at intervals recommended by a physician, including the digital rectal exam, prostate-specific antigen test, and bone scan.
- Genetic testing and counseling in certain circumstances
  - Hemodialysis services
  - Mammography x-ray, routine:
    - For women 35-39 years of age: one baseline mammogram;
    - For women 40-49 years of age: one mammogram every two years;
    - For women 50 years of age and older: one mammogram every year.For this benefit, a year is 12 consecutive months. Mammograms may be more frequent if recommended by your physician
  - Maternity services including pre- and postnatal care, and delivery (only covered under 1500 Plus and 2000 Plus). Complications of pregnancy are covered under all plans
  - Medical emergency care
  - Medical services (other than surgical or obstetrical) provided by your practitioner while you are an inpatient or an outpatient, including home and office calls
  - Mental health and chemical dependency services (for 2500 Plus, 5000 Plus and 7500 Plus, treatment of chemical dependency only includes alcoholism treatment)
  - Occupational therapy for upper extremities
  - Physical therapy
  - Preventive care, including well child care to age 2, immunizations, annual physical, and annual gynecological exam.
  - Radiation therapy
  - Routine medical care of a newborn during the mother's hospitalization
  - Surgical services
  - Tubal ligation or vasectomy (only covered under Plans 1500 Plus and 2000 Plus)
  - X-ray and laboratory services

continued next page

### OTHER COVERED SERVICES

Other medically necessary covered services and supplies related to the treatment of illness or injury include:

- Ambulance
- Anesthesia and hospital charges for dental care, whether services are provided in a hospital or a dental office, for a member who:
  - 1) is under age 14; or
  - 2) is severely disabled or otherwise suffers from a developmental disability as determined by a licensed physician which places such person at serious risk.
- Certified diabetes education program (including insulin, insulin supplies, insulin syringes, and glucose strips)
- Home infusion therapy
- Home medical equipment — rental or purchase as determined by Wellmark
- Home skilled nursing, if given by a registered nurse (RN) or licensed practical nurse (LPN) from an agency accredited by the Joint Commission for Accreditation of Healthcare Organizations (JCAHO) or a Medicare-certified agency, and if coordinated by a case manager.
- Oxygen and equipment needed to administer oxygen
- Most prescription drugs and medicines are covered under your managed drug program, Blue Rx Preferred, and not under the Blue Select Plus health coverage. However, there are exceptions when prescription drugs and medicines are covered under the Blue Select Plus health coverage. Some examples include growth hormones (with prior approval) and self-administered injectables (not including insulin, Imitrex, and EpiPen, which are covered under your Blue Rx Preferred managed drug program). See page 12 for additional information on your managed drug program, Blue Rx Preferred.
- Prosthetic appliances

### HOME HEALTH SERVICES

Coverage includes care provided by an agency accredited by the Joint Commission for Accreditation of Healthcare Organizations (JCAHO) and/or a Medicare-certified agency.

Services must be prescribed by a physician, approved by our case manager, and not more costly than alternative services that would be effective for diagnosis and treatment of your condition. All plans include these covered services and supplies:

- Home health aide services
- Home skilled nursing, as described in “Other Covered Services” section.
- Inhalation therapy
- Medical equipment and supplies
- Medical social services
- Occupational therapy to treat the upper extremities
- Physical therapy
- Speech therapy, limited to restoration of loss due to illness or injury and services provided inside a facility or coordinated through home health services.
- Oxygen and equipment
- Parenteral and enteral nutrition
- Prosthetic appliances and braces

### HOSPICE SERVICES

Coverage is provided to terminally ill patients with a life expectancy of six months or less. Covered hospice services include the same services as described under home health services as well as respite care from a facility approved by Medicare or JCAHO. Respite care offers rest and relief help for the family caring for a terminally ill patient.

### SUPPLEMENTAL ACCIDENT OPTION

If you chose the supplemental accidental injury benefit on your application for coverage and you have paid the specific premium for this benefit, you have supplemental accidental injury benefits in the dollar amount specified in your benefits policy. If this supplemental accidental injury benefit applies to you and you are injured accidentally and are treated within 90 days of the accident, covered charges related to such treatment are not subject to a copay, deductible, or coinsurance until after the covered charges exceed the supplemental accidental injury benefit amount.

This supplemental accidental injury benefit is applied in the order in which charges are received by us for payment up to the supplemental accidental injury benefit amount specified in your benefits policy. In the event that your benefits policy already covers such charges, the supplemental accidental injury benefit will not be available.

The supplemental accidental injury benefit applies only to hospital services, practitioner services, services of a registered nurse (RN), x-ray and laboratory services. You do not have supplemental accidental injury benefits for disease or infection (except pyogenic infection caused by an accidental cut or wound), services or supplies excluded by your benefits policy, or dental treatment, if currently listed in your benefits policy as not covered for supplemental accidental injury.

### BLUEPRINTS FOR HEALTH® DISEASE MANAGEMENT PROGRAMS

With our BluePrints for Health Disease Management Program, you receive the support you need when dealing with a chronic condition. If you're diagnosed with diabetes, cardiac conditions (heart failure, coronary artery disease), asthma, or chronic obstructive pulmonary disease (COPD), you'll be invited to participate in the program.

You'll receive a welcome kit followed by a confidential welcome call from a BluePrints for Health nurse. You decide if you want to participate and what level of support you'd like to receive. In addition to the one-on-one support you receive from your BluePrints for Health nurse, you can have access to other health professionals like registered dietitians and respiratory therapists.

Our BluePrints for Health team keeps your doctor informed of your progress in the program. The goal is to support and reinforce the treatment program you and your doctor have established. Working together, we can help you and your doctor manage your disease.

The BluePrints for Health Disease Management Program is available for those who are serious about managing their chronic health conditions.

# Limitations

## YOUR BLUE SELECT PLUS COVERAGE IS LIMITED AS FOLLOWS:

### PRE-EXISTING CONDITION EXCLUSION PERIOD

A pre-existing condition exclusion period of 11 consecutive months applies if the covered person requiring services or supplies has a pre-existing condition and:

- neither you nor any covered person had creditable coverage within 63 days of your application date for the Blue Select Plus Plans; or
- the covered person's creditable coverage was not in effect for a sufficient amount of time to satisfy the 11 consecutive month exclusion period for pre-existing conditions under this coverage. In this case, the 11-month exclusion period for pre-existing conditions applicable to each family member under this coverage will be credited for the amount of time each family member was covered under the previous creditable coverage.

### CHEMICAL DEPENDENCY TREATMENT

Coverage for chemical dependency treatment is limited to:

- **30 days** for the inpatient treatment of alcoholism in each six month period; and **90 days** lifetime.
- **30 days** per benefit period for the inpatient treatment of chemical dependency, excluding treatment for alcoholism (only covered under Plans 1500 Plus and 2000 Plus).
- **\$10,000** lifetime for the outpatient treatment of chemical dependency including treatment of alcoholism (only covered under Plans 1500 Plus and 2000 Plus).

### COSMETIC SURGERY

Benefits for cosmetic surgery are limited to corrective surgery that has the primary purpose of restoring function after an illness or accidental injury, or is the result of a birth or physical defect.

### BREAST RECONSTRUCTION AFTER MASTECTOMY

If you have a mastectomy and elect breast reconstruction in connection with the mastectomy, you are covered for the following:

- reconstruction of the breast on which the mastectomy has been performed;
- surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- prostheses and treatment of physical complications of the mastectomy.

### WEIGHT REDUCTION SURGERY

You must be at least 18 years of age and an appropriate surgical candidate under the following requirements to receive benefits:

- You have a Body Mass Index of:
  - at least 40 for at least three years, or
  - at least 50 (classified as super-obese), or
  - greater than 35 in conjunction with documented treatment of a coexisting medical condition of at least one of the following:
    - hypertension requiring medication for at least one year,
    - type 2 diabetes requiring medication for at least one year,
    - obstructive sleep apnea, confirmed by a sleep study, which does not respond to conservative treatment,

- cardiovascular disease, or
  - pulmonary hypertension of obesity.

- You have a documented history of failure to sustain weight loss with medically supervised dietary and conservative treatment for at least three years, including within two years before surgery.
- You are an acceptable operative risk.
- You have been evaluated by a licensed mental health provider who documents that you are motivated to follow all necessary pre- and post-operative treatment plans.

### ORGAN TRANSPLANTS

Coverage is available under these policies for transplants of the heart, heart and lung, lung, pancreas, kidney, simultaneous pancreas/ kidney, liver, and, in limited instances, small bowel. Coverage is limited for certain autologous and allogeneic bone marrow/stem cell transfer transplants as described in the policy. Other limitations for transplants include:

- Services for transportation in an ambulance to a transplant center are limited to a \$10,000 maximum per transplant.

### RESPITE CARE

Benefits for hospice respite care are limited to a lifetime maximum of 15 days. Benefits must be used in increments of five days or less.

*Become familiar with your policy's limitations and exclusions.*

# Exclusions

The following services are excluded or are not considered medically necessary by Wellmark and will not be covered:

## MENTAL HEALTH AND CHEMICAL DEPENDENCY TREATMENT

- Bereavement counseling or services
- Certain development and learning disorders
- Certain disorders of early childhood, such as academic underachievement disorder
- Communication disorders, such as stuttering and stammering
- Impulse control disorders, such as pathological gambling
- Marriage and family counseling
- Nicotine dependence
- Residential treatment of mental health conditions or chemical dependency except those services received in a Residential Treatment Facility as described in the benefits policy
- Sensitivity, shyness and social withdrawal disorder
- Sexual identification or gender disorders, including sex change surgery

## FERTILITY AND INFERTILITY

- Collection of donor semen, oocytes, or the services of a surrogate parent
- Contraceptives, unless optional coverage is purchased
- Infertility treatment
- Sterilization reversal
- Treatment of impotence unless it is the result of a physical illness or injury

## MISCELLANEOUS

- Anesthesia, local or topical when not billed with a surgical procedure, except anesthesia related to the provision of certain dental services as specified and limited in the policy
- Arch supports
- Blood, purchase of
- Complications of a non-covered procedure

This exclusion does not apply to the treatment of complications resulting from smallpox vaccinations when payment for such treatment is not

available through Workers' Compensation or government-sponsored programs.

- Dental services except as specified and limited in the policy
- Elastic stockings and bandages
- Hearing aids and exams
- Investigational or experimental treatment as defined in the benefits policy
- Maxillary and mandibular implants
- Motor vehicles
- Non-medical services
- Personal convenience items
- Prescription and non-prescription drugs and medicines are not covered under the Blue Select Plus health coverage, except for the services listed under Benefits on page 5. See page 12 for additional information regarding your managed drug program, Blue Rx Preferred.
- Services furnished to you prior to the effective date of the policy
- Speech therapy
  - 1) When services are provided outside of a facility or are not coordinated through home health services; or
  - 2) For treatment of certain developmental, learning, or communication disorders, such as stuttering or stammering.
- Travel or lodging costs
- Treatment of temporomandibular joint disorder (TMJ)
- Vision care
- Wigs

## PROVIDER TYPES

- Certified registered nurses (other than an anesthetist)
- Provider is an immediate family member (exclusion does not apply in those areas in which the immediate family member is the only provider within a 30-mile radius of the provider's main office)
- Social workers, except as described in your benefits policy

## PREVENTIVE AND ROUTINE CARE

- Routine foot care

## COVERED BY OTHER PROGRAMS OR LAWS

- Services or supplies when someone else has the legal obligation to pay for your care
- Military-related illness or injury
- Services or supplies that are paid under Workers' Compensation, including any services or supplies applied toward satisfaction of any deductible under your employer's Workers' Compensation coverage.

## THERAPY, SELF-MOTIVATION, AND OTHER PROGRAMS

- Acupuncture
- Services and supplies as an inpatient provided primarily for diagnostic evaluation, physical therapy, or occupational therapy
- Cosmetic services and supplies
- Custodial or sanitarium care or rest cures
- Educational or recreational therapy
- Massage therapy
- Occupational therapy supplies
- Self-help or self-cure programs
- Speech therapy when services are provided outside of a facility, not coordinated with home health services, or to treat certain developmental, learning, or communication disorders.
- Weight reduction programs, except weight reduction surgery, with limitations as described on page 7.

## TRANSPLANTS

- Expenses for the purchase of any organ
- Mechanical or non-human organs
- Transplant services or supplies other than heart, heart and lung, lung, pancreas, kidney, simultaneous pancreas/kidney, small bowel, liver, or bone marrow/stem cell transfers
- Transportation of a living organ donor

## ADDITIONAL EXCLUSIONS THAT APPLY ONLY TO PLANS 2500 PLUS, 5000 PLUS, AND 7500 PLUS

- Abortion
- Maternity services
- Sterilization
- Chemical dependency, except for inpatient treatment of alcoholism

# Notification Requirements

The following are requirements you or your Blue Select provider must follow to receive the maximum benefits available under your policy.

## PRECERTIFICATION

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

Precertification is required for:

- Nursing Facility
- Acute Rehabilitation Facility
- Home Health Services
- Hospice Services
- Home Infusion Therapy
- Facilities Outside of South Dakota or Iowa

You, your Blue Select provider, or someone acting on your behalf must contact us to precertify your admission. You should call the phone number listed on your ID card.

If you do not notify us for precertification as required, the benefits may be reduced if they are medically necessary, covered benefits. They may be denied if not medically necessary or not covered under your policy. The amount of any reduction for failure to obtain authorization will not be more than \$1,000 per admission. You are subject to this benefit reduction only if you (not your provider) are responsible for notification.

Reduced or denied amounts that are the result of failure to follow proper notification requirements will not be applied to your out-of-pocket maximum.

You may appeal a decision to deny precertification or a benefit reduction.

## PRIOR APPROVAL

Before you receive certain services, supplies, or procedures, we recommend that you or your provider request our prior approval. Prior approval helps determine whether a proposed treatment plan is medically necessary and a benefit of your

policy. Without prior approval for certain services, we cannot confirm that a proposed treatment plan is a benefit of your policy. A service will be approved for a specific time period. (Even if you receive prior approval for a service, inpatient admissions may be subject to inpatient admission notification.)

For a complete list of services for which we recommend prior approval, or to ask about any other service, call the phone number listed on your ID card, or visit our website, [www.wellmark.com](http://www.wellmark.com).

## CONCURRENT REVIEW

Concurrent Review is a review of your care when you are in a hospital, nursing facility, or other health facility or when you use home health services, hospice services, or home infusion therapy. Wellmark will initiate the review.

If it is determined your current level of care is no longer medically necessary, we will notify you, your attending physician and the facility 24 hours before your benefits for services end.

*Please note:* We will notify you of the date when coverage for services ends. We will not provide benefits for services received after this date.

## CASE MANAGEMENT

Blue Select Plus provides you the opportunity to receive alternative benefits to help meet health care needs resulting from extreme illness or injury. You, your physician, and the hospital can work with our case managers to identify and arrange treatment plans to meet your special needs and to assist in preserving your health insurance benefits.

## APPEAL PROCESS

You may appeal any decision we make to deny or reduce benefits. The appeal process allows a panel not previously involved in your case to perform a review of our decision. You may appeal our decision not to approve benefits, to terminate your benefits as a result of admission review or concurrent review, and our decision to reduce benefits. You must appeal in writing. A description of the appeal process is included in your benefits policy.

*We work with you and your provider to make sure your benefits are used in the most cost-effective settings.*

# General Provisions

**Eligibility:** You are eligible to apply for Blue Select Plus coverage if you are a resident of South Dakota, under 65 years of age, and not eligible for Medicare.

## COVERAGE RENEWABILITY

- Coverage is automatically renewed by payment of your premium in advance.
- A grace period of 31 days will be granted for the payment of each premium due after the first premium. During this grace period, your policy will continue in force.
- We will refuse renewal of this policy only if we refuse renewal on all policies of this form and class or if you use this policy fraudulently. If we refuse to renew all policies of this form and class, we will give you 90 days written notice prior to termination. In this event, you will have the option to purchase any other health insurance coverage currently being offered by us to individuals with no additional underwriting.
- To keep the policy in force, you must pay each premium on its due date or within the grace period. We may change the premium only if we change the premium for all policies of this form and class. We have the right to change the premium rate for coverage by notifying you not less than 30 days in advance.
- When you no longer qualify as a dependent or spouse under this policy, you may obtain continuous coverage from Wellmark with no additional underwriting if you apply within 31 days of the date you become ineligible.

## MEDICARE ELIGIBILITY

When you become eligible for Medicare, you may convert to one of our Senior Blue® Medicare Supplement plans without answering health questions if you have Medicare Parts A and B and you apply during your six-month guaranteed enrollment period. This period begins the first month you are enrolled in Medicare Part B (medical insurance).

## MEDICARE ENROLLMENT

If you become enrolled in Medicare during the term of this Blue Select Plus benefit policy, this benefit policy will provide benefits primary to Medicare.

## SUBROGATION

Once you receive benefits under your Blue Select Plus policy arising from an illness or injury, we will assume any legal right you have to collect compensation, damages, or any other payment

related to that illness or injury. We will assume all rights for recovery, to the extent of our payment, regardless of whether our payment is made before or after settlement of any third-party claim, and regardless of whether you have received full or complete compensation for any injury or illness.

You and your covered family member(s) agree to notify us if you have the potential right to receive payment from someone else and to cooperate with us to ensure that our rights to subrogation are protected.

We reserve the right to offset any amounts owed to us against any future claim settlement amounts.

## COORDINATION OF BENEFITS

Coordination of benefits applies when you have more than one insurance policy or plan that provides the same or similar benefits as this policy. Benefits payable under this policy, when combined with those paid under your other coverage, will not be more than 100 percent of either our payment arrangement amount or the other plan's payment arrangement amount.

The method we use to calculate the payment arrangement amount may be different from your other plan's method.

**Other Coverage** — When you receive services, you must inform us that you have other coverage, and inform your health care provider about your other coverage. The “Filing Claims” section of the benefits policy has examples of other coverage and a list of rules of coordination.

You must cooperate with us and provide requested information about other coverage. Failure to provide information can result in a denied claim.

Your participating or Blue Select health care provider will forward your coverage information to us. If you have a non-participating health care provider, you are responsible for informing us about your other coverage.

If the amount of payments made by us is more than we should have paid under these coordination of benefits provisions, we may recover the excess from any of the persons to or for whom we paid, or from any other person or organization that may be responsible for the benefits or services provided for the covered person. The amount of payments made includes the reasonable cash value of any benefits provided in the form of services.

Notwithstanding the foregoing provisions on Coordination of Benefits, Wellmark will always pay as though it is the primary carrier when you use your Blue Select Plus/Blue Rx ID card for prescription drugs purchased at a pharmacy.

## OTHER INFORMATION

The monthly premiums are based on the age of the oldest person covered under the policy. The following factors will be reflected in your individual rates:

- Health status of the block of business as determined by the claims experience of that block of business. The annual change due to the claims experience or health status of that block of business is limited to 15 percent.
- Individual demographics including age, gender, lifestyle, family composition and geographic area.
- The expected increase in the overall cost of health care.
- A reduced premium rate is available for persons who do not currently use tobacco products and have not used tobacco products for a minimum of 12 months.

## BlueCard®

This program, offered by all Blue Cross and Blue Shield Plans around the world, gives you a simple means to save money — no matter where you live or travel in the United States and numerous other countries. When you need medical attention, all you have to do is show your ID card to a provider who participates with the local Blues Plan.

### WHEN YOU USE A BLUECARD PPO PROVIDER:

- Most covered services you receive in the provider's office are not subject to a deductible or coinsurance. You pay the applicable copayment amount.
- You'll get Blue Plan PPO-provider negotiated prices.
- Claims subject to coinsurance will be processed at the Blue Select in-network coinsurance level.
- Participating providers have agreed not to collect from you any difference between their billed charge and the negotiated charge.
- More than 6,000 hospitals and 635,000 providers throughout the United States participate in BlueCard.\*
- Participating providers and many non-participating providers will honor your ID card and file your claims for you.
- BlueCard providers do not handle notification requirements for you.

\*Blue Cross and Blue Shield Association, 2006.

## WORKING WITH YOU, FOR YOU

It is important that you understand your Blue Select Plus coverage to use your benefits properly:

- Present your Wellmark identification card each time you receive health care services.
- Comply with the notification requirements described on page 9.
- Read your policy for complete details.

## Blue Rx<sup>SM</sup> Preferred

Most prescription drugs are covered under Blue Rx Preferred, your managed drug program, not under your health policy. Wellmark has contracted with Catalyst Rx,<sup>®</sup> a full-service pharmacy benefit management company that provides integrated pharmacy benefit services to customers nationwide, to be our pharmacy benefit manager. Catalyst Rx offers nationwide access to its fully-integrated pharmacy benefit program. Wellmark members who have their prescriptions filled by any of the more than 55,000 participating pharmacies nationwide\* — whether in- or out-of-state — will have their claims filed electronically by the pharmacy. In addition, network pharmacies have point-of-sale computer access to current information to screen for duplicate therapies or interactions with drugs dispensed by other network pharmacies.

### BLUE RX PREFERRED PRESCRIPTION DRUG CARD PLAN

Blue Rx Preferred is the name of your prescription drug plan. When filling a prescription, it is important to show your Wellmark ID card to confirm that the pharmacy participates in the Catalyst Rx network that supports Blue Rx Preferred. The Rx BIN Number is on your Wellmark ID card. The pharmacist uses

\*Catalyst Rx, 2nd Quarter 2006

this Rx BIN to file your claim electronically and to determine how much you pay when picking up your prescription.

If you choose to get a prescription from a pharmacy that does not contract with Catalyst Rx, you will need to submit a paper claim to Catalyst Rx in order to receive reimbursement, and you will be responsible for any difference between the Catalyst Rx-negotiated price and the pharmacy's billed charge plus any copayment or coinsurance amount.

### UNDERSTANDING DRUG TIERS

Drugs are categorized into tiers according to whether they are generic (Tier 1) or brand name (Tier 2 or Tier 3) drugs.

### THREE LEVELS OF PAYMENT FOR THE BLUE RX PREFERRED PLAN

With a three-tier Blue Rx Preferred plan, the amount you pay for prescriptions depends on whether the drug is on the first, second or third tier of the Wellmark Drug List.

- You'll have the lowest copayment for drugs on Tier 1 (generic drugs).
- You'll have an intermediate copayment for drugs on Tier 2 (specially-selected brand name drugs).
- You'll have the highest copayment for drugs on Tier 3 (all other brand name drugs).

### YOUR PAYMENT OBLIGATIONS FOR

## Blue Rx Preferred Drug Card Coverage

Deductible	1500 Plus	2000 Plus	2500 Plus	5000 Plus	7500 Plus
For Tier 1 or generic - You Pay	\$10	\$10	\$10	\$10	\$10
			Deductible is waived		
For Tier 2 or specially-selected brand name drugs - You Pay	\$35	\$35	\$35	\$35	\$35
For Tier 3 or all other brand name drugs - You Pay	\$50 or 50% of Wellmark's negotiated price, whichever is greater				
Benefit Period Drug Deductible*	\$100 Single \$200 Two-person or Family			\$500 Single \$1000 Two-person or Family	
Contraceptives	Available for additional premium			Available for additional premium	

\*Deductible is waived for Tier 1 drugs

### COVERED DRUGS

- Most prescription drugs that bear the legend, “Caution, Federal Law prohibits dispensing without a prescription.” Contraceptives that are medically necessary to treat an illness are covered. Insulin and insulin supplies such as needles, syringes, test strips, and lancets are also covered.
- Prescription drugs that are prescribed by a practitioner legally authorized to prescribe.
- Drugs dispensed by a pharmacist from a licensed retail pharmacy.
- All drugs must be self-administered according to the instructions given by the practitioner and the pharmacist.

### CONTRACEPTIVE COVERAGE OPTION

Coverage for oral contraceptives and contraceptive devices that are used for the purpose of preventing conception can be added to your policy for an additional premium.

### NON-COVERED DRUGS AND SERVICES

- Contraceptives (unless medically necessary to treat an illness or you purchase the optional contraceptive coverage)
- Cosmetic drugs
- Self-administered injectable drugs are generally covered under your health benefits policy; however, insulin and certain self-injectable antimigraine drugs or epinephrine are covered under your prescription drug program.
- Most over-the-counter products, including nutritional dietary supplements; however, certain over-the-counter products prescribed by a physician may be covered as determined by Wellmark.
- Self-help or self-cure programs
- Smoking cessation drugs
- Subcutaneous implants
- Therapeutic devices or medical appliances
- Weight-reduction drugs

### QUANTITY LIMITATIONS

Drugs covered under your benefits policy may be limited per month, benefit period, or lifetime by specific quantity limitations. These limitations are determined by Wellmark based on medical necessity. For a list of drugs subject to quantity limitations, or to determine whether a drug you are taking is subject to prior authorization, visit our website at [www.wellmark.com](http://www.wellmark.com) or check with your pharmacist or physician.

### GENERIC DRUGS

Your copayment is lower when you purchase generic drugs. If you purchase a brand-name drug when an FDA-approved generic is appropriate and available, you are responsible for the copayment or coinsurance plus the difference between the payment arrangement amount for the brand-name drug and the payment arrangement amount for the generic drug. This is true even if your physician prescribes the brand-name drug.

## RETAIL PRESCRIPTION DRUGS

You are covered for a 30-day supply.

## MAIL-ORDER PRESCRIPTION DRUGS

You are covered for up to a 90-day supply of maintenance drugs from Walgreens Mail Service Program.

## REFILLS

You may not receive benefits for a refill if sufficient time has not elapsed since the last prescription was written. Sufficient time means that at least 75 percent of the medication has been taken according to the instructions given by the practitioner. You may also be denied refill in certain circumstances. Consult your Blue Rx Preferred benefits policy for a complete list.

You are allowed one early refill per medication per calendar year if you will be away from home for an extended period of time. If traveling within the United States, the refill amount will be subject to any applicable quantity limits under your Blue Rx Preferred benefits policy (see the Summary of Payment section). If traveling outside the United States, the refill amount will not exceed a 90-day supply.

## WELLMARK DRUG LIST

Often there is more than one medication available to treat the same medical condition. The Wellmark Drug List is a list of safe and cost-effective medications that serves as a guide to physicians when deciding which medications to prescribe for their patients.

The Wellmark Drug List was developed by a local committee of physicians and pharmacists in cooperation with our contracted pharmacy benefit manager. The list suggests medications a physician might prescribe when there is a choice of medications to treat the same condition. This list is continually revised to reflect changes in the drug industry.

Physicians are not limited to prescribing only the drugs that appear on the Wellmark Drug List. Physicians may prescribe any medication, and that medication will be covered unless it is specifically excluded from your benefit plan.

Depending upon your plan, however, your copayment or coinsurance may be higher for drugs that are listed on the second or third tier.

## REBATES

Using the Wellmark Drug List helps manage the overall cost of prescription medications by promoting the use of more cost-effective drugs. Drug manufacturers sometimes offer rebates to pharmacy benefit managers based on the inclusion of their drugs on the drug list and associated utilization. We expect to receive rebates from our contracted pharmacy benefit manager. The rebates we receive as a result of your prescription claims processed by our pharmacy benefit manager will be retained by Wellmark and applied to reduce the costs of administering the pharmacy program. The rebates will not be allocated to your specific claims, and they will not be considered when determining your benefit-period deductible, copayment, coinsurance amount, or out-of-pocket maximum.

## PRIOR AUTHORIZATION

Certain drugs, listed in the *Wellmark Drug List*, are covered by your Blue Rx Preferred benefits policy only with prior authorization. Prior authorization allows us to verify that the drug is medically necessary and part of a specific treatment plan. Your practitioner must call us to obtain prior authorization.

You have the right to one full and fair review in case of an adverse decision in response to a prior authorization request. An adverse decision is one that denies or reduces benefits. You (or your authorized representative, if you have designated one) may appeal an adverse decision.



*This is a general description of coverage. It is not a statement of contract. Actual coverage is subject to the terms and conditions specified in the policy itself and enrollment regulations in force when the policy becomes effective.*



**You Just Can't Beat The Blues®**

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[www.wellmark.com](http://www.wellmark.com)

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