



TLC HDHP MEMBER HANDBOOK

July 2008 (and October 1, 2008 for certain school groups)

The Local Choice Health Benefits Program
Administered by the Department of Human Resource Management
Commonwealth of Virginia

T20587 (7/08)

Table of Contents

Important Notice.....	1
Important Contacts.....	2
Key Words	3
Summary of Benefits.....	5
General Rules Governing Benefits.....	10
Facility Services	18
Hospital Services	18
Skilled Nursing Facility Services	21
Behavioral Health and Employee Assistance Program Services	23
Home Health Services	25
Professional Services	28
Medical, Surgical, and Behavioral Health Services.....	28
Preventive Care	31
Routine Wellness Services	32
Spinal Manipulation Services.....	33
Hospice Care Services	34
Therapy Services	35
Early Intervention Services	37
Outpatient Prescription Drugs.....	38
Dental Services.....	43
Other Covered Services.....	47
Individual Case Management Program.....	50
BlueCard Program	51
Programs Included in Your Health Plan	53
Exclusions.....	55
Basic Plan Provisions	63
Definitions	68
Eligibility	73
Certificate of Group Health Plan Coverage.....	83
Request for Certificate of Group Health Plan Coverage	86
Exhibit A - Experimental/Investigative Criteria	92
Index.....	94

TLC HDHP Health Benefits Plan

IMPORTANT NOTICE

Your Health Plan is administered by Anthem Blue Cross and Blue Shield. This booklet describes covered services administered by Anthem under The Local Choice Health Benefits Program.

This booklet tells You what may be eligible for Reimbursement under Your Health Plan. Throughout this booklet there are words which begin with capital letters. In most cases, these are defined terms. See the Definitions section for the meaning of these words.

Your Health Plan does not cover everything. There are specific exclusions for which the program will never pay. Even more important, payment for services is almost always conditional. That is, payment may be reduced or even denied for a service if You received the service without observing all the conditions and limits under which the service is covered. Finally, You almost always have to pay for part of the cost of treatment.

Your health benefits are contractual in nature. This means, in part, that what You or your employer thinks is covered does not make it a covered service. Likewise, if You or your employer thinks a service should be covered, that does not make it a covered service. The same is true even when the issue is life or death: a service is not covered simply because You, your Physician, or your employer believe You need the service, or because the service is the only remaining treatment which might (or might not) save your life. This booklet describes what services are eligible for Reimbursement, the conditions under which the services are covered, the limits of coverage, and the amounts which may be payable under the specified conditions. **You, and You alone, are responsible for knowing what is covered and the limits and conditions of coverage.** Furthermore, the terms and conditions of your coverage can be changed without your consent, if proper notice is given to You. This booklet may be printed at any time from the following Web site: www.thelocalchoice.virginia.gov.

Your Health Plan pays part of the cost of health services needed to diagnose and treat illnesses and injuries. Services designed primarily to improve Your personal appearance are not eligible for Reimbursement. Services which are not necessary for the diagnosis and treatment of illnesses or injuries are not eligible for Reimbursement unless, in the sole judgment of the Plan Administrator, such services can reasonably be expected to avoid future costs to Your Health Plan.

Still there is more You need to know. There are some rules which apply to all benefits. See General Rules Governing Benefits. Also, there are some services for which the Plan Administrator will never pay. See the Exclusions section. Also, we have included some rules governing Your Health Plan. See the Basic Plan Provisions section. Finally, refer to the Definitions section for an explanation of many of the terms used in this booklet. These sections are important because they will be used to determine exactly what Your Health Plan covers.

Enrollment in the TLC High Deductible Health Plan (HDHP) allows you to set up a personal Health Savings Account (HSA) through a bank or other financial institution to help you manage health care expenses or save for retirement. You can contribute pre-tax dollars to your HSA in order to pay for certain qualified medical expenses.

Important Contacts:

Anthem Blue Cross and Blue Shield

800-552-2682

For the hearing impaired, please contact your state's relay service by dialing 711.

Hours of Operation:

Monday-Friday 8:00 a.m. to 6:00 p.m. ET

Saturday 9:00 a.m. to 1:00 p.m. ET

www.anthem.com/tlc

Behavioral Health (customer care and authorizations)

800-991-6045

Employee Assistance Program (EAP)

800-346-5484

www.AnthemEAP.com

The Local Choice Health Benefits Program

www.thelocalchoice.virginia.gov

Department of Human Resource Management

www.dhrm.virginia.gov

ID Card Order Line

866-587-6713

Provider Networks

A directory of participating Providers may be accessed online at **www.anthem.com/tlc**.

Key Words

There are a few key words You will see repeated throughout this booklet. We've highlighted them here to make the booklet easier to understand. In addition, we have included a Definitions section that lists the various words referenced. A defined word will begin with a capital letter each time it is used.

Allowable Charge

Means the amount on which the Deductible (if any) and Coinsurance for eligible services are calculated.

Coinsurance

The percentage of the Allowable Charge You pay for some covered services.

Covered persons

You and enrolled eligible dependents.

Deductible

The fixed dollar amount of certain covered services You pay in a Plan Year before Your Health Plan will pay for those remaining covered services during that Plan Year. The Allowable Charge amount for those covered services is applied to the Deductible. The Deductible amount is for a twelve month period and begins again each Plan Year.

Under the HDHP, the Deductible applies to your Medical, Behavioral Health, and Outpatient Prescription Drug coverage. For individual plus one or family coverage, the entire Deductible must be met before the Plan pays for services for any one covered family member. This Deductible counts toward the Out-of-Pocket Expense Limit.

There is a separate Plan Year Deductible for your Dental coverage.

Exclusions

A list of services which are not, under any circumstances, eligible for Reimbursement. See the Exclusions section.

Inpatient

When You are a bed patient in the hospital.

Out-of-Pocket Expense Limit

The amount of money that You pay out of your pocket for certain covered Medical, Behavioral Health and Outpatient Prescription Drug expenses (combined) during the Plan Year. Once any one covered member reaches the limit, almost all other covered expenses are paid in full (100% of the Allowable Charge) for the rest of the Plan Year for that person. Under family coverage (two or more persons), once the entire family limit is reached, the plan pays 100% of the Allowable Charge for almost all other covered expenses for all covered family members, even if no individual family member has reached the individual limit. The Out-of-Pocket Expense Limit is for a twelve month period and begins again each Plan Year.

Outpatient

When You receive care in a hospital Outpatient department, Emergency room, professional Provider's office, or your home.

Plan Administrator

Health Plan benefits administered by Anthem Blue Cross and Blue Shield.

Plan Year

The period for which benefits are administered, which is July 1 through June 30 (or October 1 through September 30 for certain school groups).

Reimbursement

The amount Your Health Plan pays for covered services.

You

The enrolled member.

Your Health Plan

Your employer's health care plan through which benefits described in this booklet are available.

TLC HDHP Plan Summary of Benefits

This chart is an overview of your benefits for covered services.

What will I pay?

This chart shows what You pay for Deductibles, Coinsurance and Out-of-Pocket Expenses for covered services in one Plan Year.

Your coverage includes a \$25,000 lifetime maximum for each Covered Person for the identification of a suitable donor for organ and tissue transplant services. See General Rules Governing Benefits.

	You Pay In-network*			Page Number
	Single (You Only)	Plus One (You and One Family Member)	Family (You and Two or more Family Members)	
Plan Year Deductible (applies as indicated)	\$1,200	\$2,400	\$2,400	3
Plan Year Out-Of-Pocket Expense Limit	\$5,000	\$10,000	\$10,000	3

	You Pay In-network* Coinsurance (after Plan Year Deductible)	Page Number
Ambulance Travel No Plan Year limit	20% after Deductible	47
Behavioral Health and EAP		23
Inpatient treatment		
Facility Services	20%	
Professional Provider services	20%	
Partial Day Program	20%	
Outpatient Treatment Program		
Facility Services	20%	
Specialty Care Providers	20%	
Employee Assistance Program Up to four Visits per incident	0% no Deductible	

*Except in an Emergency, You do not have out-of-network benefits for Medical and Behavioral Health services. See the General Rules Governing Benefits section.

Summary of Benefits continued

	You Pay In-network*			Page Number
	Coinsurance (after Plan Year Deductible)			
Dental Services				43
These benefits are provided separately from your HDHP plan, and the HDHP Deductible does not apply. There is a separate Deductible for Dental, as shown below, and this Deductible does not apply to the HDHP Out-of-Pocket Expense Limit.				
	Single (You Only)	Plus One (You and One Family Member)	Family (You and Two or more Family Members)	
Plan Year Deductible	\$25	\$50	\$75	
The most Your Health Plan pays per person per Plan Year (except orthodontics)	\$1,500	\$1,500	\$1,500	
Diagnostic and Preventive Services	0% no Deductible			
Primary Services	20% after Deductible			
Complex Restorative Services	50% after Deductible			
Orthodontic Services Plan pays up to \$1,500 per lifetime per Covered Person	50% no Deductible			
Dental Services (non-routine Medical)	20%			44
Diabetic Equipment	20%			48
Diabetic Education	20%			28
Diagnostic Tests and X-rays For specific conditions or diseases at a doctor's office, Emergency room, or Outpatient hospital department	20%			20, 28
Dialysis Treatments				18
Facility Services	20%			
Doctor's Office	20%			
Doctor's Visits On an Outpatient basis				28
Primary Care Physicians	20%			
Specialty Care Providers	20%			
Early Intervention Services	20%			37
Emergency Room Visits				18
Facility Services	20%			
Professional Provider Services				
Primary Care Physicians	20%			
Specialty Care Providers	20%			
Diagnostic Tests, X-rays	20%			
Home Health Services 90-Visit Plan Year limit for Home Health Services	20%			25
Home Private Duty Nurse's Services	20%			48
Hospice Care Services	20%			34

*Except in an Emergency, You do not have out-of-network benefits for Medical and Behavioral Health services. See the General Rules Governing Benefits section.

Summary of Benefits continued

	You Pay In-network*	Page Number
	Coinsurance (after Plan Year Deductible)	
Hospital Services		18
Inpatient Treatment		
Facility Services	20%	
Professional Provider Services		
Primary Care Physicians	20%	
Specialty Care Physicians	20%	
Outpatient Treatment		
Facility Services	20%	
Professional Provider Services		
Primary Care Physicians	20%	
Specialty Care Physicians	20%	
Diagnostic Tests, X-rays	20%	
Infusion Services		35
Facility Services	20%	
Professional Provider Services	20%	
Home Services	20%	70
Infusion Medications	20%	35
Outpatient Settings	20%	
Home Settings	20%	
Maternity		28
Professional Provider Services		
Prenatal and Postnatal Care		
Primary Care Physicians	20%	
Specialty Care Providers	20%	
Delivery		
Primary Care Physicians	20%	
Specialty Care Providers	20%	
Hospital Services for Delivery	20%	
Delivery room, anesthesia, nursing care for newborn		
Diagnostic Tests	20%	
Medical Equipment (durable), Appliances, Formulas and Supplies	20%	47
Outpatient Prescription Drugs (retail and mail services pharmacy) and Diabetic Supplies	20%	38
Shots (allergy and therapeutic injections)	20%	28
At a doctor's office, Emergency room or Outpatient hospital department		
Skilled Nursing Facility Stays		21
180-day per Stay Limit		
Facility Services	20%	
Professional Provider Services	20%	

*Except in an Emergency, You do not have out-of-network benefits for Medical and Behavioral Health services. See the General Rules Governing Benefits section.

Summary of Benefits continued

	You Pay In-network*	Page Number
	Coinsurance (after Plan Year Deductible)	
Spinal Manipulations and Other Manual Medical Interventions - \$500 Plan Year Limit		33
Primary Care Physicians	20%	
Specialty Care Providers	20%	
Surgery		18
Inpatient		
Facility Services	20%	
Professional Provider Services		
Primary Care Physicians	20%	
Specialty Care Providers	20%	
Outpatient		18
Facility Services	20%	
Professional Provider Services		
Primary Care Physicians	20%	
Specialty Care Providers	20%	
Diagnostic Tests, X-rays	20%	
Therapy – Outpatient Services		35
Cardiac Rehabilitation Therapy		
Facility Services	20%	
Professional Provider Services	20%	
Chemotherapy		
Facility Services	20%	
Professional Provider Services	20%	
Occupational Therapy		
Facility Services	20%	
Professional Provider Services		
Primary Care Physicians	20%	
Specialty Care Providers	20%	
Physical Therapy		
Facility Services	20%	
Professional Provider Services		
Primary Care Physicians	20%	
Specialty Care Providers	20%	
Radiation Therapy		
Facility Services	20%	
Professional Provider Services	20%	
Respiratory Therapy		
Facility Services	20%	
Professional Provider Services	20%	
Speech Therapy		
Facility Services	20%	
Professional Provider Services		
Primary Care Physicians	20%	
Specialty Care Providers	20%	

*Except in an Emergency, You do not have out-of-network benefits for Medical and Behavioral Health services. See the General Rules Governing Benefits section.

Summary of Benefits continued

	You Pay In-network*	Page Number
	Coinsurance (after Plan Year Deductible)	
Vision Correction	20%	48
After surgery or accident		
Wellness Services		32
Well Child (through age 6)		
Office Visits at specified intervals		
Primary Care Physicians	0% no Deductible	
Specialty Care Providers	0% no Deductible	
Immunizations		
Primary Care Physicians	0% no Deductible	
Specialty Care Providers	0% no Deductible	
Screening Tests	0% no Deductible	
Routine Wellness (age 7 and older)		
Check-up Visit (one per Plan Year)		
Primary Care Physicians	0% no Deductible	
Specialty Care Providers	0% no Deductible	
Immunizations		
Primary Care Physicians	0% no Deductible	
Specialty Care Providers	0% no Deductible	
Routine Lab and X-ray Services	0% no Deductible	
Preventive Care (one of each per Plan Year)		31
See age guidelines in Preventive Care section		
Gynecological Exam		
Primary Care Physicians	0% no Deductible	
Specialty Care Providers	0% no Deductible	
Pap Test	0% no Deductible	
Mammography Screening	0% no Deductible	
Prostate Exam (digital rectal exam)		
Primary Care Physicians	0% no Deductible	
Specialty Care Providers	0% no Deductible	
Prostate Specific Antigen Test	0% no Deductible	
Colorectal Cancer Screenings	0% no Deductible	

*Except in an Emergency, You do not have out-of-network benefits for Medical and Behavioral Health services. See the General Rules Governing Benefits section.

GENERAL RULES GOVERNING BENEFITS

1) **When a Charge Is Incurred**

You incur the charge for a service on the day You receive the service.

2) **When Benefits Start**

Benefits will not be provided for any charges You incur before your Effective Date.

3) **Services Must Be Medically Necessary**

In all cases, benefits will be denied if the Plan Administrator determines, in its sole discretion, that care is not Medically Necessary.

4) **When Benefits End**

Benefits will not be provided for charges You incur after your coverage ends. There are two exceptions. If You are an Inpatient the day your coverage ends, your hospital coverage will continue until You are discharged to the extent that services were covered prior to the end of coverage. Also, Other Covered Services such as rental of Medical Equipment (durable) will be provided for a limited time for a condition for which You received covered services before your coverage ended. The time will be the shorter of when You become covered under any other group coverage, or the end of the Plan Year your coverage ends, or a period equal to the time You were enrolled under Your Health Plan.

5) **Defining Services**

When classifying a particular service, the Plan Administrator will use the most recent edition of a book published by the American Medical Association entitled Current Procedural Terminology (CPT). The Allowable Charge for a procedure will be based on the most inclusive code in Current Procedural Terminology. The Plan Administrator alone will determine the most inclusive code. No benefits will be provided for lesser included procedures or for procedures which are components of a more inclusive procedure.

6) **Payment to Network Providers**

The Plan Administrator pays the Allowable Charge which remains after your Coinsurance, or Deductible to the network Provider. These amounts may be collected at the time of service. If You have already paid the Provider You will need to return to the Provider for any Reimbursement. A Provider who participates in the Plan Administrator's network will accept the Plan Administrator's allowance as payment in full for that service.

7) **Payment to Out-of-Network Medical or Behavioral Providers**

When a member receives Emergency services from a non-network Medical or Behavioral Health services Provider, the Plan Administrator may choose to make payment directly to You or, at the Plan Administrator's sole option, to any other person responsible for payment of the Provider's charge. Payment will be made only after the Plan Administrator has received an itemized bill and the medical information the Plan Administrator decides is necessary to process the claim. If the payment is made directly to You, You will be responsible for sending payment to the Provider. You also will be responsible for the difference between Your Health Plan's allowance and the Provider's charge. Payment by the Plan Administrator will relieve it and Your Health Plan of any further liability for the non-network Provider's services.

8) Alternative Benefits

Your Health Plan may elect to offer benefits for an approved, alternative treatment plan for a patient who would otherwise require more expensive services, including, but not limited to, long term Inpatient care. Your Health Plan will provide such alternative benefits at its sole option and only when and for so long as Your Health Plan decides that the alternative services are Medically Necessary and cost effective. The total benefits paid for such services may not exceed the total which would otherwise be paid under this contract without alternative benefits. If Your Health Plan elects to provide alternative benefits for a member in one instance, it will not be required to provide the same or similar benefits for any member in any other instance. Also, this will not be construed as a waiver of the State's right to administer this contract in the future in strict accordance with its express terms.

9) Organ and Tissue Transplants, Transfusions

Your Health Plan covers some but not all organ and tissue transplants. Medical necessity review is required to determine if a specific organ or tissue transplant service will be covered. When a human organ or tissue transplant is provided from a living donor to a Covered Person, both the recipient and the donor may receive the benefits of Your Health Plan. However, benefits for these services are limited only to those not available to the donor from any other source, including, but not limited to, other insurance coverage or any government program.

When only the donor is a Covered Person under Your Health Plan, only the organ donation procedure itself, including services rendered at the time of the organ donation procedure, are covered services. Any services provided prior to the organ donation procedures are not covered, whether Inpatient or Outpatient, even if they are provided in anticipation of the organ donation or as preparation for the organ donation.

Covered services for the identification of a suitable donor to a Covered Person for an allogeneic bone marrow transplant will include a computer search of established bone marrow registries and laboratory testing necessary to establish compatibility of potential donors. Donors may be from the patient's immediate family or have been identified through the computer search. These services must be ordered by a doctor qualified to provide allogeneic transplants.

10) Complaint and Appeal Process

You have access to both a complaint process and an appeal process. Should You have a problem or question about Your Health Plan, Anthem's Member Services Department will assist You. Most problems and questions can be handled in this manner. You may also file a written complaint or appeal. Complaints typically involve issues such as dissatisfaction about Your Health Plan's services, quality of care, the choice of and accessibility to Your Health Plan's Providers and network adequacy. Appeals typically involve a request to reverse a previous decision made by Your Health Plan. Requests regarding claim errors, claim corrections, and claims denied for additional information may be reopened for consideration without having to invoke the appeal process.

Complaint process

Upon receipt, your complaint will be reviewed and investigated. You will receive a response within 30 calendar days of Your Health Plan's receipt of your complaint. If we are unable to resolve your complaint in 30 calendar days, You will be notified on or before calendar day 30 that more time is required to resolve your complaint. We will then respond to You within an additional 30 calendar days.

Important: Written complaints or any questions concerning your Medical, Behavioral Health, Dental or Outpatient Prescription Drug coverage may be filed to the following address:

Anthem Blue Cross and Blue Shield
Attn: Member Services
P.O. Box 27401
Richmond, VA 23279

Appeal process

Your Health Plan is committed to providing a full and fair process for resolving disputes and responding to requests to reconsider a coverage decision You find unacceptable. There are two types of appeals, Plan Administrator appeals and appeals to the Department of Human Resource Management (DHRM).

Plan Administrator appeals are requests to reconsider coverage decisions of pre-service or Post-Service Claims. All appeals to the Plan Administrator must be exhausted before an appeal can be made to DHRM.

A separate expedited Emergency appeals procedure is available to provide resolution within one business day of the receipt of a complaint or appeal concerning situations requiring immediate medical care. Situations in which expedited appeals are available include those involving prescriptions to alleviate cancer pain.

After Plan Administrator appeals are exhausted (or, as described below, when an appeal to the Plan Administrator is not necessary), You may request of DHRM an appeal process that includes an impartial clinical review by an independent, external reviewer of the final coverage decision made by the Plan Administrator. Additionally, issues related to Your Health Plan may be appealed to DHRM as well. Please note that all appeals to DHRM are subject to the restrictions listed in the **What's Not Appealable at DHRM** section. More information about this process may be found in the **Final DHRM appeal process** section.

How to appeal a coverage decision

To appeal a coverage decision, please send a written explanation to the Plan Administrator's address (see addresses in this section) of why You feel the coverage decision was incorrect. (Alternatively, Anthem will accept a verbal request for appeal by calling a Member Services representative.) You may provide any comments, documents or information that You feel the Plan Administrator should consider when reviewing your appeal. Please include with the explanation:

the patient's name, address and telephone number;
your identification and group number (as shown on your identification card); and
the name of the health care professional or Facility that provided the service, including the date and description of the service provided and the charge.

Addresses for appeals

Anthem Blue Cross and Blue Shield
Attn: Corporate Appeals Department
P.O. Box 27401
Richmond, VA 23279

How the Plan Administrator will handle your appeal

In reviewing your appeal, the Plan Administrator will take into account all the information You submit, regardless of whether the information was considered at the time the initial coverage decision was made. A new review will be completed, and will not assume the correctness of the original determination. The individual reviewing your appeal will not have participated in the original coverage decision, and will not be a subordinate of the individual who made the original determination. Appeals involving medical necessity will be reviewed by a practitioner who holds a non-restricted license in the Commonwealth of Virginia or under comparable licensing law in the same or similar specialty as one who typically manages the medical condition, procedure or treatment under review. Any other decision that involves the review of medical information will be made by appropriate clinical staff.

The Plan Administrator will resolve and respond in writing to your appeal within the following time frames:

- for Pre-Service Claims, the Plan Administrator will respond in writing within 30 days after receipt of the request to appeal;
- for Post-Service Claims, the Plan Administrator will respond in writing within 60 days after receipt of the request to appeal;
- for expedited appeals, the Plan Administrator will respond orally within one business day after receipt from the member or treating Provider of the request to appeal, and will then provide written confirmation of its decision to the member and treating Provider within 24 hours thereafter.

When the review of your appeal by the Plan Administrator has been completed, You will receive written notification of the outcome. In the event that the original coverage decision is upheld, the written notification will include the specific reasons and Your Health Plan provision(s) on which the determination is based. You will also be entitled to receive, upon request and at no charge, the following:

- reasonable access to, and copies of, all documents, records, and other information relevant to the appeal;
- any rule, guideline, protocol or criterion relied upon in the coverage decision(s);
- the explanation of the scientific or clinical judgment as it relates to the patient's medical condition if the coverage decision was based on the medical necessity or experimental nature of the care; and
- the identification of medical or vocational experts whose advice was obtained by Your Health Plan in connection with the claimant's adverse decision, whether or not the advice was relied upon.

Final DHRM appeal process

Health Plan coverage decisions: To further appeal a final coverage decision made by Your Health Plan through its internal appeal process, You must submit to the director of the Commonwealth of Virginia, Department of Human Resource Management (DHRM), in writing within 60 days of your Plan's denial, the following:

- your full name;
- your identification number;
- the date of the service;
- the name of the Provider for whose services payment was denied; and
- the reason You think the claim should be paid.

Mail your appeal to the following address:

Director, Virginia Department of Human Resource Management
101 N. 14th Street – 13th Floor
Richmond, VA 23219

Please mark the envelope: Confidential – Appeal Enclosed

You are responsible for providing DHRM with all information necessary to review the denial of your claim. The Department will ask You to submit any additional information You wish to have considered in this review, and will give You the opportunity to explain, in person or by telephone, why You think the claim should be paid. Claims denied due to such things as policy or eligibility issues will be reviewed by the director of DHRM. Claims denied because the treatment provided was considered not Medically Necessary will be referred to an independent medical review organization.

For issues of medical necessity, the medical review organization will examine the final denial of claims or treatment authorizations to determine whether the decision is objective, clinically valid, and comparable with established principles of health care. The decision of the medical review organization will:

- be in writing;
- contain findings of fact as to the material issues in the case and the basis for those findings; and
- be final and binding if consistent with law and policy.

As with Plan Administrator appeals, DHRM appeals allow for an expedited Emergency appeals procedure to provide resolution within one business day of the receipt of a complaint or appeal concerning situations requiring immediate medical care. Situations in which expedited appeals are available include those involving prescriptions to alleviate cancer pain.

Other appeals: Issues not involving Plan Administrator appeals related to Your Health Plan should be submitted in writing to the Director of the Commonwealth of Virginia, DHRM, using the same procedure outlined above. Appeals to the Director should be filed within 60 days of Your Health Plan's action or appropriate notification of that action, whichever is later. With other plan-related appeals to DHRM, if after review, the denial is upheld, that denial is final. Beyond any final denial, You may appeal that determination as per the provisions of the Administrative Process Act within 30 days of the final DHRM determination.

What's Not Appealable at DHRM

DHRM does not accept appeals for:

- specific coverage Exclusions listed under **Exclusions** in this handbook. However, denials of claims or coverage for services involving medical necessity (e.g. Experimental or Investigational procedures) can be appealed.
- matters in which the sole issue is disagreement with policies, rules, regulations, contract or law.
- claim amounts or service denials when the member's cost is less than \$300.
- claim amounts above the Allowable Charge billed by a non-participating Provider.

The decision of Your Health Plan is final. If You are unsure whether the decision can be appealed, call the Office of Health Benefits, **804-225-3642** or **888-642-4414**. You may download an appeals form at **www.thelocalchoice.virginia.gov**.

11) Coordination of Benefits

Coordination of benefits (COB) rules apply when You or members of your family have additional health care coverage through other group health plans, including:

- group insurance plans, including other Blue Cross and Blue Shield Plans or HMO plans;
- labor management trustee plans, union welfare plans, employer welfare plans, employer organization plans, or employee benefit organization plans; and
- coverage under any tax-supported or government program to the extent permitted by law.

You will receive and be required to complete each year an annual COB questionnaire. Claims payment will be withheld until the completed questionnaire is received.

Primary Coverage and Secondary Coverage

When a Covered Person is also enrolled in another group health plan, one coverage will be primary and one will be secondary. The decision of which coverage will be primary or secondary is made using the order of benefit determination rules. Highlights of these rules are described below:

- If the other coverage does not have COB rules substantially similar to Your Health Plan's, the other coverage will be primary.
- If a Covered Person is enrolled as the named insured under one coverage and as a dependent under another, generally the one that covers him or her as the named insured will be primary.
- If a Covered Person is the named insured under both coverages, generally the one that covers him or her for the longer period of time will be primary.
- If the Covered Person is enrolled as a dependent child under both coverages (for example, when both parents cover their child), typically the coverage of the parent whose birthday falls earliest in the calendar year will be the primary.
- Special rules apply when a Covered Person is enrolled as a dependent child under two coverages and the child's parents are separated or divorced. Generally, the coverage of the parent or step-parent with custody will be primary. However, if there is a court order that requires one parent to provide health care for the child, that parent's coverage will be primary. If there is a court order that states that the parents share joint custody without designating that one of the parents is responsible for medical

expenses, the coverage of the parent whose birthday falls earliest in the Plan Year will be primary.

- If a covered active employee or employee's dependent is also covered by Medicare, the coverage provided by the employer is primary (unless Medicare eligibility is due to End Stage Renal Disease).
- If a covered retiree, survivor or their covered dependent is eligible for Medicare, the Medicare-eligible member is no longer eligible for coverage under Your Health Plan (except during an End Stage Renal Disease coordination period).

When Your Health Plan is the primary coverage, it pays first. When Your Health Plan is the secondary coverage, it pays second as follows:

- Anthem calculates the amount Your Health Plan would have paid if it had been the primary coverage, then coordinate this amount with the primary plan's payment. The combination of the two will not exceed the amount Your Health Plan would have paid if it had been your primary coverage.
- Some plans provide services rather than making a payment (i.e., a group model HMO). When such a plan is the primary coverage, Your Health Plan will assign a reasonable cash value for the services and that will be considered the primary plan's payment. Your Health Plan will then coordinate with the primary plan based on that value.
- In no event will Your Health Plan pay more in benefits as secondary coverage than it would have paid as primary coverage.

12) Overpayment of benefits

If Your Health Plan overpays benefits because of COB, your Plan has the right to recover the excess from:

- any person to, or for whom such payments were made;
- any insurance company; or
- any other organization.

You will be required to cooperate with Your Health Plan to secure this right.

13) Out-of-Pocket Expense Limit

Your Health Plan protects You from large Out-of-Pocket Expenses by limiting the amount You spend out of your own pocket each year. Once the limit on Your Health Plan is reached, almost all other covered expenses are paid in full (100% of Allowable Charge) for the rest of the Plan Year.

What does not count toward these limits

The following amounts do not count toward your Out-of-Pocket Expense Limit, and You will always be responsible for these expenses, regardless of whether You have met your Out-of-Pocket Expense Limit.

amounts above the Allowable Charge (these amounts are not the patient's responsibility when services are rendered by a network or participating Provider or Facility);
amounts above health plan limits;
expenses for supplies or services not covered by Your Health Plan; or
Deductible and Coinsurance for Dental services.

14) Notice from the Plan Administrator to You

A notice sent to You by the Plan Administrator is considered "given" when delivered to DHRM or your Group Benefits Administrator at the address listed in the Plan Administrator's records. If the Plan Administrator must contact You directly, a notice sent to You by the Plan Administrator is considered "given" when mailed to the member at the member's address listed in the Plan Administrator's records. Be sure that Your Group Benefits Administrator has Your current home address.

15) Notice from You to the Plan Administrator

Notice by You or your Group Benefits Administrator is considered "given" when delivered to the Plan Administrator. The Plan Administrator will not be able to provide assistance unless the member's name and identification number are in the notice.

16) Out-of-Network

Under Your Health Plan, except in an Emergency, You do not have coverage for the services of Medical and Behavioral Health Providers and facilities outside of the Anthem or BlueCard PPO networks.

17) Work-related injuries or diseases

Your health plan does not include benefits for services or supplies that are for work-related injuries or diseases when the employer, or worker if self-employed, must provide benefits by federal, state, or local law or when that person's work related health claims have been paid by the employer. This exclusion applies even if You waive your right to payment under these laws and regulations or fail to comply with procedures to receive the benefits. It also applies whether or not the Covered Person reaches a settlement with his or her employer or the employer's insurer or self-insurance association because of the Injury or disease.

FACILITY SERVICES

HOSPITAL SERVICES

The charges made by a hospital for use of its facilities and services are eligible for Reimbursement under many circumstances.

Services Which Are Eligible for Reimbursement

- 1) Bed and board in a semi-private room, including general nursing services and special diets. A bed in an intensive care unit is eligible for Reimbursement for critically ill patients. Your Health Plan covers the charge for a private room if You need a private room because You have a highly contagious condition; You are at greater risk of contracting an infectious disease because of your medical condition; or if the hospital only has private rooms. Otherwise, You have coverage for a semi-private room. If You choose to occupy a private room, You will be responsible for paying the daily differences between the semi-private and private room rates in addition to any Coinsurance that may apply.
- 2) Customary ancillary services for Inpatient Stays, including operating rooms, medications, oxygen and oxygen tents, dressings and casts, anesthesia, transfusions, diagnostic tests and therapy services, Emergency room services leading directly to admission or which are rendered to a patient who dies before being admitted, ambulance services for transportation between local hospitals when Medically Necessary, and routine nursery care of a newborn as part of a mother's covered maternity service.
- 3) Partial hospitalization for Behavioral Health services. These services are available on the same basis as Inpatient services.
- 4) Outpatient hospital services including pre-admission testing and other diagnostic tests, therapy services, shots, prescription medications received during treatment, surgical services, Inpatient ancillary services when unavailable in an Inpatient facility, mammography, partial hospitalization for Behavioral Health services, and routine colonoscopy screening.
- 5) Dialysis treatment, which is the treatment of severe kidney failure or chronic poor functioning of the kidneys. This includes hemodialysis and peritoneal dialysis.
- 6) Your Health Plan covers treatment of morbid obesity through gastric bypass, or other methods recognized by the National Institutes of Health (NIH). According to the NIH guidelines, gastric bypass surgery is effective for the long-term reversal of morbid obesity for a patient who:

weighs at least 100 pounds over or twice the ideal body weight for frame, age, height and gender as specified in the 1983 Metropolitan Life Insurance tables;
has a body mass index equal to or greater than 35 kilograms per meter squared, with comorbidity or coexisting medical conditions such as hypertension, cardiopulmonary conditions, sleep apnea, or diabetes; or
has a body mass index of 40 kilograms per meter squared, without such comorbidity.

As used above, body mass index equals weight in kilograms divided by height in meters squared.

- 7) Your Health Plan covers some services (such as abdominoplasties, panniculectomies, and lipectomies) to correct deformity after a previous therapeutic process involving gastric bypass surgery, other bariatric surgery procedures, or other methods of weight loss. In order to be covered, a service must be Medically Necessary. Before rendering any of these services, your Provider should contact the Plan Administrator and request a medical necessity review.
- 8) The cost of blood, blood plasma, blood derivatives, or professional donor fees.

Conditions for Reimbursement

- 1) Inpatient and Outpatient hospital services must be:

prescribed by a Provider licensed to do so;
furnished and billed by a hospital; and
Medically Necessary.

- 2) In addition to any Coinsurance and Deductible that apply, You may be financially responsible for the entire hospital bill if, after your admission to the hospital, the Plan Administrator finds that the Inpatient Stay was not Medically Necessary. In order to avoid this, You must comply with the following hospital admission review procedure:

- a. You, your physician, the admitting physician, a family member, or a friend must contact the Plan Administrator by telephone or by letter prior to a non-emergency Inpatient service and furnish the following information:

physician's name, address, and telephone number;
name and address of the hospital to which your admission is planned;
your name and member identification number;
anticipated admission date and length of Stay; and
medical justification for Inpatient treatment.

After an Emergency admission, You, your physician, the admitting physician, a family member, or a friend must contact the Plan Administrator within 48 hours or, if later, if later, the next business day after the admission to furnish the above information.

- b. You, your physician, the admitting physician, a family member, or a friend must receive a response from the Plan Administrator, either approval or disapproval, prior to the rendering of the non-emergency Inpatient service.

The Plan Administrator will respond to a hospital admission review request within 24 hours after its receipt. The Plan Administrator may request additional information in order to determine whether to approve or disapprove benefits for an Inpatient service. In this case, the Plan Administrator will respond with an approval or disapproval within 24 hours after the necessary information is supplied.

If, as a part of the hospital admission review program, the Plan Administrator determines that a contemplated Inpatient service is not Medically Necessary and the member elects to proceed with the Inpatient service despite this determination, the Plan Administrator will deny this service as not Medically Necessary unless additional information is provided indicating a contrary result is warranted. You are financially responsible for hospital services which are not Medically Necessary.

- 3) Members are encouraged to have all Behavioral Health services pre-authorized, unless the rules for emergencies apply. Authorization is required within 48 hours of an Emergency.
- 4) A health service review (pre-service review) is required for elective diagnostic imaging services including:
 - cardiac nuclear studies (such as cardiac stress tests);
 - CT scans;
 - MRI, MRA; and
 - PET, SPECT scans.

This list of services is only a sampling and may change, so always check with your physician or Anthem Member Services for the most current and complete list.

Special Limits

- 1) None.

Health Plan Reimbursement

Your Health Plan pays the remaining Allowable Charge after your Deductible and Coinsurance for covered services in a network hospital during approved admissions.

Member Pays

Inpatient and Outpatient services	20% Coinsurance after Deductible
-----------------------------------	----------------------------------

SKILLED NURSING FACILITY SERVICES

Services Which Are Eligible for Reimbursement

- 1) Your Health Plan will cover your semi-private room in a network Skilled Nursing Facility. The room charge includes your meals, any special diets, and general nursing services. You are also entitled to receive the same types of ancillary services which are available to a hospital Inpatient.
- 2) Your Health Plan will cover the private room charge if You need a private room because You have a highly contagious condition or are at greater risk of contracting an infectious disease because of your medical condition. Otherwise, your Inpatient benefits would cover the Skilled Nursing Facility's charges for a semi-private room. If You choose to occupy a private room, You will be responsible for paying the daily differences between the semi-private and private room rates in addition to your Deductible and Coinsurance (if any).

Conditions for Reimbursement

- 1) Care which is necessary for a person who does not have a treatable medical illness or injury is not covered. For example, a person is not eligible for covered care in a Skilled Nursing Facility simply because the person is unable to care for himself (that is, the person cannot perform several Activities of Daily Living, such as bathing or feeding).
- 2) Skilled Nursing Facility services must also be:
 - medically skilled services;
 - prescribed by your Provider and listed in the plan of treatment;
 - furnished and billed for by the Skilled Nursing Facility; and
 - Medically Necessary.
- 3) You may be financially responsible for the entire Skilled Nursing Facility bill if, after your admission to the Skilled Nursing Facility, the Plan Administrator finds that the Inpatient Stay was not Medically Necessary. In order to avoid this, You must comply with the following procedure.
 - a. You, your physician, the admitting physician, family member, or a friend must contact the Plan Administrator by telephone or by letter prior to a non-emergency Inpatient service and furnish the following information:
 - physician's name, address, and telephone number;
 - name and address of the Skilled Nursing Facility to which your admission is planned;
 - your name and member identification number;
 - anticipated admission date and length of Stay; and
 - medical justification for Inpatient treatment.
 - b. You or your physician must receive a response from the Plan Administrator, either approval or disapproval, prior to the rendering of the non-emergency Inpatient service.

The Plan Administrator will respond to a Skilled Nursing Facility admission review request within 24 hours after its receipt. The Plan Administrator may request additional

BEHAVIORAL HEALTH SERVICES AND EMPLOYEE ASSISTANCE PROGRAM (EAP)

Services Which Are Eligible for Reimbursement

Accessing your mental health services and substance abuse services (treatment of alcohol or drug dependency) is easy. In fact, You have a dedicated department available to You simply by calling **800-991-6045**. You can select any mental health and substance abuse Provider listed in your Provider directory. Or if You are unsure of which Provider to see, call **800-991-6045** and the representative will be able to match You with a Provider who seems best suited to meet your needs.

Services may be provided in various Settings or Levels of Care depending upon the treatment that is needed. Care managers approve the appropriate Levels of Care based on your diagnosis and Anthem's medical necessity criteria.

Behavioral Health Services

1) Inpatient Care

Acute care requires the most intensive level of skills and services, and is provided in a psychiatric hospital or a detoxification unit. These facilities are licensed as hospitals and provide 24-hour medical and nursing care.

2) Intermediate Care

Partial day services combine intensive treatment in a medically supervised Setting, with the opportunity for the patient to return home or to another residential Setting at night. Care includes individual, group, family, educational, and rehabilitation services. These programs offer services five times per week for more than several hours per day. A partial day program must be licensed or approved by the state of Virginia. The program must operate at least 6 or more continuous hours per day for mental health and substance abuse treatment.

Intensive Outpatient Programs (IOP) are slightly less intense in nature and also afford the patient the opportunity to return home at night. The program must be licensed by the state of Virginia and operate 3 or more continuous hours per day, 2-3 times per week. The intensive Outpatient Level of Care is for the treatment of alcohol or drug dependence.

3) Outpatient

Outpatient Behavioral Health services are the most frequently prescribed Level of Care provided for an individual, group, or family basis in an office Setting. Therapists include licensed social workers, master's level psychiatric nurses, doctoral level psychologists, or psychiatrists.

4) Medication Management

Your coverage includes Visits to your physician to make sure that medication You are taking for a mental health or substance abuse problem is working, and the dosage is right for You and is covered.

Employee Assistance Program (EAP)

- 1) The EAP is separate from Your Health Plan's mental health or substance abuse benefits. It is a free, confidential service that will put You in touch with a qualified counselor to help You deal with issues such as:

- stress;
- child and eldercare resource assistance;
- financial concerns;
- legal concerns;
- marital/relationship or family problems;
- feelings of overwhelming loss and grief;
- alcohol and drug concerns;
- depression and anxiety; and
- parenting concerns.

- 2) The EAP provides up to four counseling sessions per incident free of charge for You and any household members. Your Behavioral Health Provider will assist in determining the number of sessions (up to four) that are appropriate for your care and put You in touch with a qualified counselor in the community. Contact Anthem toll-free at **800-346-5484** for more information.
- 3) If You need further counseling, the EAP will coordinate the best and most affordable resources in your community, including a referral to a Behavioral Health Provider if appropriate.

All care accessed through the EAP or under the Behavioral Healthcare benefits will be kept strictly confidential.

Conditions for Reimbursement

Members are encouraged to have all Behavioral Health services pre-authorized by calling Anthem's toll-free at **800-991-6045** before receiving care, or within 48 hours of an Emergency admission.

Special Limits

- 1) Residential treatment is not a covered benefit.

Health Plan Reimbursement

Your Health Plan pays the remaining Allowable Charge after your Deductible and Coinsurance.

Member Pays

Inpatient and Outpatient Services	20% Coinsurance after Deductible
Partial Day Program	20% Coinsurance after Deductible
EAP Visits	0% no Deductible

HOME HEALTH SERVICES

Services Which Are Eligible for Reimbursement

Home Health Services include:

- 1) Professional Medical services.
- 2) Periodic skilled nursing care for needs that can only be met by a Licensed Registered Nurse (R.N.) or Licensed Practical Nurse (L.P.N.) under the supervision of an R.N.
- 3) Therapy services.
- 4) Medical social services provided by a licensed clinical social worker or social services assistant under the guidance of a licensed clinical social worker.
- 5) Services may be eligible for coverage by a home health aide for personal care provided the member has a skilled need and the services are under the supervision of an R.N.
- 6) Nutritional guidance, but limited to individual consultation by an R.N. or qualified dietician.
- 7) Diagnostic tests, non-covered therapy services, and similar services which would be covered if You were an Inpatient in a hospital. These services are also covered when received in your Provider's office or the Outpatient department of a hospital, but the services must be arranged through the network home health care agency.
- 8) Ambulance services if prearranged by your physician and authorized by the Plan Administrator if, because of your medical condition, You cannot ride safely in a car when You go to your Provider's office or to the Outpatient department of the hospital. Ambulance services will be covered if your condition suddenly becomes worse and You must go to a local hospital's Emergency room.
- 9) Supplies normally used in a hospital for an Inpatient, but these supplies must be dispensed by the network home health care agency.
- 10) Administration of drugs prescribed by Your Provider.

Conditions for Reimbursement

- 1) Home Health Services must be medically skilled services provided in your home and:
 - prescribed by a Provider licensed to do so;
 - listed in your plan of treatment filed with the Plan Administrator;
 - furnished and billed by a network home health care agency;
 - services that the Plan Administrator approved for payment before services are rendered and Medically Necessary.
- 2) You must be homebound for medical reasons. You must be physically unable to obtain medical care as an Outpatient. You will still be considered homebound for medical reasons if You must go to the Outpatient department of the hospital because the services You need cannot be furnished in your home.

- 3) You must be under the active care of a Provider to be eligible for Home Health Services. Your Provider must certify to the Plan Administrator that You would be in a hospital as an Inpatient if Home Health Services were not available.
- 4) Home Health Services will be provided after your discharge from a hospital as an Inpatient only when:
 - the Plan Administrator has received and approved your plan of treatment in advance;
 - your Provider has certified in writing that You would have to remain in the hospital as an Inpatient if Home Health Services were not available.
- 5) If You are not first confined in a hospital, Home Health Services will be provided only when:
 - the Plan Administrator has received and approved your plan of treatment in advance; and
 - your Provider has certified in writing that You would have to be in the hospital as an Inpatient if Home Health Services were not available.
- 6) Services must follow your plan of treatment. Your plan of treatment must be included in your medical record. Your medical record must be reviewed by your Provider at regular intervals. A copy of your plan of treatment must be filed with the Plan Administrator before Home Health Services can begin. Any changes to your plan of treatment must be approved for payment in advance by the Plan Administrator.
- 7) Services must be furnished by trained health care workers employed by the network home health care agency. A network home health care agency may make arrangements with another health care organization to provide You with a Home Health Service, but the Plan Administrator must approve any such arrangement with another health care organization in writing in advance.
- 8) The following rules apply only to Visits for Home Health Services:
 - when a health care worker comes to your home more than once a day to provide Home Health Services, each Visit will be counted as a separate Visit;
 - when two or more health care workers come to your home at the same time to provide a single service, the joint Visit will be counted as one Visit;
 - when two or more health care workers come to your home to provide different types of Home Health Services, the Visit of each health care worker will be counted as a separate Visit; and
 - when special Medical Equipment is needed that cannot be brought into your home, each time You leave home to use the equipment will be counted as a separate Visit.
- 9) Approval of a plan of treatment, or any part of a plan of treatment, or any arrangement with another health care organization means only that the Plan Administrator will later consider these services for payment. The Plan Administrator's approval is neither an endorsement of the quality of the service nor a waiver of any term or condition of this contract.

- 10) Disapproval of a plan of treatment, or any part of a plan of treatment, or any arrangement with another health care organization means only that the Plan Administrator has determined in advance the services are not covered under this section. Some private duty nursing services, medical supplies, and Medical Equipment (durable) may be covered as separately listed Other Covered Services. Please see the Other Covered Services section.

You may still elect to receive any other services disapproved by the Plan Administrator, but these will be at your own expense.

- 11) Therapy services must be rendered by a therapist qualified to do so.
- 12) Your need for personal care must be determined by the R.N. working for the network home health care agency. The R.N. must assign duties to the home health aide. Personal care may include non medically skilled services. The words "personal care" mean:
- helping You walk;
 - helping You take a bath;
 - helping You dress;
 - giving You medicine; and
 - teaching You self-help skills.

Special Limits

- 1) Visit maximum 90 Visits per Plan Year
- 2) Payment will not be made for:
- homemaker or housekeeping services;
 - housing, food, home delivered meals, or "Meals on Wheels";
 - services not listed in your attending Provider's plan of treatment, except for ambulance services to a hospital Emergency room;
 - counselor's services;
 - services which are or are related to diversional, recreational, or social activities; or
 - prosthetic devices, appliances, and orthopedic braces.

Health Plan Reimbursement

Your Health Plan pays the remaining Allowable Charge after your Deductible and Coinsurance.

Member Pays

Home Health Services 20% Coinsurance after Deductible

Services billed in conjunction with Home Health Services are subject to the appropriate Coinsurance and Deductible.

PROFESSIONAL SERVICES

MEDICAL, SURGICAL, AND BEHAVIORAL HEALTH SERVICES

This section explains which Medical, surgical, and Behavioral Health services from health professionals may be eligible for Reimbursement. In general, the professional services of authorized Providers are eligible for Reimbursement if they are Medically Necessary and rendered within the scope of the Provider's license.

Services Which Are Eligible for Reimbursement

- 1) Inpatient Medical, surgical, and Behavioral Health services. These services are specifically included:
 - reconstructive surgery to restore a body function, correct congenital or developmental deformity which causes functional impairment, or relieve pain;
 - operative procedures for sterilization or to reverse a sterile condition;
 - multiple surgeries;
 - assistant surgeon's services;
 - maternity services rendered during an Inpatient Stay:
 - routine delivery services (Cesarean birth is a surgical service);
 - services for complications of pregnancy;
 - services for miscarriage or other interruptions of pregnancy;
 - services for the care of a newborn child if the child is a member at the time the services are rendered;
 - anesthesia services rendered by a second physician;
 - Medical and Behavioral Health Visits by a Provider, including:
 - intensive Medical services (when your medical condition requires a Provider's constant attendance and treatment for a prolonged period of time);
 - concurrent care (treatment You receive from a Provider other than the operating surgeon for a medical condition separate from the condition for which You required surgery);
 - Behavioral Health evaluative and concurrent services; and
 - consultative services from a Provider other than the attending Provider.

- 2) Outpatient Medical, surgical, and Behavioral Health services, including:
 - surgical services;
 - maternity services, including Visits to a Provider for routine pre- and postnatal care, and delivery of a newborn at home by a Provider;
 - anesthesia services;
 - medical services to diagnose or treat your illness or injury;
 - diagnostic tests;
 - therapy services;
 - shots;
 - Outpatient self-management training and education performed in person; including medical nutrition therapy, when provided by a certified, licensed, or registered health care professional. Diabetic education is covered at no cost to You.

a Medical or surgical service if performed by a Provider's employee who is licensed to perform the service; and
prescription medications that require administration by a health professional including contraceptive devices and injections.

Conditions for Reimbursement

- 1) Medical, surgical, and Behavioral Health services must be:
 - medically skilled services;
 - billed for by a Provider in private practice;
 - services which the Provider is licensed to render; and
 - Medically Necessary.
- 2) When two or more surgical services are performed during a single operative session, the Allowable Charge for the combined services will be calculated as follows:
 - the Allowable Charge for the primary, or major, surgical service performed; plus
 - a reduced percentage of what the Allowable Charge would have been for each additional surgical service if these services had been performed alone.
- 3) Assistant surgeon's services are covered if the operating surgeon explains to the Plan Administrator, upon request, why this surgical service requires the skills of two surgeons. When two or more surgeons provide a surgical service which could reasonably have been performed by one surgeon, the Allowable Charge for this surgical service will not exceed the Allowable Charge available to one surgeon.
- 4) Inpatient consultative services are covered provided that the services are requested by your attending Provider. The Provider rendering the consultative services must examine You and must enter a signed consultation note in your medical record.
- 5) If You are admitted to the hospital for an Emergency, You, your physician, the admitting physician, a family member, or a friend must contact the Plan Administrator within 48 hours or, if later, the next business day.

Special Limits

- 1) Inpatient professional services in a Skilled Nursing Facility are limited to 180 days per Stay.
- 2) The Employee Assistance Program provides up to four Visits per incident per year for members and eligible "household" members.
- 3) If a Visit is part of a Home Health Services program, it will reduce by one the maximum number of Visits available for Home Health Services.

Health Plan Reimbursement

Your Health Plan pays the remaining Allowable Charge after your Deductible and Coinsurance.

Separate benefits will not be provided for routine pre- and post-operative care. The Plan Administrator takes these services into account when determining its Allowable Charge for a surgical service.

When the same physician performs both the surgical or maternity service and the anesthesia service, the Allowable Charge for the anesthesia service will be 50% of what the Allowable Charge would have been if a second physician had performed the anesthesia service.

Member Pays

Inpatient care	20% Coinsurance after Deductible
Outpatient Medical services	20% Coinsurance after Deductible
Outpatient Behavioral Health services	20% Coinsurance after Deductible
Outpatient diagnostic services	20% Coinsurance after Deductible
Well Child Services	No Deductible or Coinsurance
Preventive Care Services	No Deductible or Coinsurance

PREVENTIVE CARE

Services Which Are Eligible for Reimbursement

The following services (one of each per Plan Year) are eligible for Reimbursement:

- 1) Routine gynecological examination.
- 2) Routine pap test.
- 3) Routine mammography screening.
- 4) Routine prostate exam (digital rectal exam).
- 5) Routine prostate specific antigen test.
- 6) Routine colorectal cancer screening including:
 - one fecal occult blood test; and
 - one flexible sigmoidoscopy, or colonoscopy or double contrast barium enema.

Conditions for Reimbursement

- 1) Preventive care services must be:
 - billed for by a Provider in private practice; and
 - services which the Provider is licensed to render.

Special Limits

- 1) None.

Health Plan Reimbursement

Your Health Plan pays the Allowable Charge.

Member Pays

No Deductible or Coinsurance

ROUTINE WELLNESS SERVICES

Services Which Are Eligible for Reimbursement

The following services are eligible for Reimbursement for members through age 6:

- 1) Well child services, including coverage for routine care, screenings, checkups, and immunizations are eligible for reimbursement for your child through age 6. These services are based on the recommendations of the American Academy of Pediatrics, and include:

complete physical examinations, developmental assessment and guidance; immunizations such as diphtheria, tetanus, pertussis (DTP), polio, measles, mumps, rubella (MMR), hemophilus vaccine (HIB), hepatitis B, varicella virus (chicken pox) vaccine, pneumococcal conjugate vaccine, influenza, and other immunizations as may be prescribed by the Commissioner of Health; and certain laboratory and screening tests, including hearing and vision tests required for a preschool physical exam.

The American Academy of Pediatrics recommends the following schedule for well child Visits:

Birth	• 4 months	• 15 months	• 3 years
3-5 days	• 6 months	• 18 months	• 4 years
2-4 weeks	• 9 months	• 24 months	• 5 years
2 months	• 12 months	• 30 months	• 6 years

The following services are eligible for Reimbursement for members age 7 and older:

- 1) One check up Visit per Plan Year.
- 2) Routine wellness immunizations, laboratory and x-ray services.

Conditions for Reimbursement

- 1) Services must be:
 - billed for by a Provider in private practice; and
 - services which the Provider is licensed to render.

Special Limits

- 1) None.

Health Plan Reimbursement

Your Health Plan pays the Allowable Charge.

Member Pays

No Deductible or Coinsurance.

SPINAL MANIPULATION AND OTHER MANUAL MEDICAL INTERVENTION SERVICES

Services Which Are Eligible for Reimbursement

- 1) Spinal manipulations and other manual medical interventions and associated evaluation and management services, including manipulation of the spine and other joints, application of manual traction and soft tissue manipulations are eligible for Reimbursement.

Conditions for Reimbursement

- 1) Services must be:

performed by a licensed chiropractor or licensed medical Provider;
billed for by a chiropractor in private practice or a Provider;
those which the Provider is licensed to render; and
Medically Necessary.

Special Limits

- 1) Reimbursement is limited to \$500 per Plan Year.

Health Plan Reimbursement

Your Health Plan pays the remaining Allowable Charge after your Deductible and Coinsurance.

Member Pays

Outpatient services

20% Coinsurance after Deductible

THERAPY SERVICES

Services Which Are Eligible for Reimbursement

Therapy services include:

- 1) Cardiac rehabilitation, which is the process of restoring and maintaining the physiological, psychological, social and vocational capabilities of patients with heart disease.
- 2) Chemotherapy for the treatment of disease by chemical or biological antineoplastic agents.
- 3) Infusion therapy, which is treatment by placing therapeutic agents into the vein, and parenteral administration of medication and nutrients. Infusion services also include enteral nutrition, which is the delivery of nutrients by tube into the gastrointestinal tract. These services include coverage of all medications administered intravenously and/or parenterally.
- 4) Occupational therapy, which is treatment to restore a physically disabled person's ability to perform activities such as walking, eating, drinking, dressing, toileting, transferring from wheelchair to bed, and bathing.
- 5) Physical therapy, which is treatment by physical means to relieve pain, restore function, and prevent disability following disease, injury, or loss of limb. Your coverage includes benefits for physical therapy to treat lymphedema.
- 6) Radiation therapy, including the rental or cost of radioactive materials. It covers the treatment of disease by x-ray, radium, cobalt, or high energy particle sources.
- 7) Respiratory therapy, which is the introduction of dry or moist gases into the lungs to treat illness or injury.
- 8) Speech therapy, which is treatment for the correction of a speech impairment which results from disease, surgery, injury, congenital anatomical anomaly, or prior medical treatment.

Conditions for Reimbursement

- 1) Your Health Plan covers therapy services when the treatment is Medically Necessary for your condition and provided by a licensed Provider.

Special Limits

- 1) None.

Health Plan Reimbursement

Your Health Plan pays the remaining Allowable Charge after your Deductible and Coinsurance.

Member Pays

Cardiac rehabilitation therapy	20% Coinsurance after Deductible
Chemotherapy	20% Coinsurance after Deductible
Infusion therapy	20% Coinsurance after Deductible
Occupational therapy	20% Coinsurance after Deductible
Physical therapy	20% Coinsurance after Deductible
Radiation therapy	20% Coinsurance after Deductible
Respiratory therapy	20% Coinsurance after Deductible
Speech therapy	20% Coinsurance after Deductible

OUTPATIENT PRESCRIPTION DRUGS

Services Which Are Eligible for Reimbursement

- 1) Outpatient Prescription Drugs received through a pharmacy, a doctor's office, or a hospital.
- 2) Outpatient Prescription Drugs and devices approved by the Food and Drug Administration (FDA) for use as contraceptives, and Outpatient Prescription Drugs for smoking cessation.
- 3) The following items for the treatment of diabetes:
 - insulin;
 - lancets;
 - hypodermic needles and syringes;
 - blood glucose test strips; and
 - blood glucose meters.
- 4) If You receive Outpatient Prescription Drugs from your doctor, they will be covered as other Medical services or supplies. If You receive Outpatient Prescription Drugs from your hospital, they will be covered as a hospital service.

Conditions for Reimbursement

- 1) The drugs must:
 - by federal or state law, require a prescription order to be dispensed;
 - be approved for general use by the U. S. Food and Drug Administration;
 - be prescribed by a Provider licensed to do so;
 - be furnished and billed by a pharmacy for Outpatient use; and
 - be Medically Necessary.

Special Limits

- 1) Your Outpatient Prescription Drug benefits cover prescriptions obtained from a pharmacist.
- 2) Up to a 34-day or up to 90-day supply of medicine for an original prescription or refill for up to one year. Simply choose a pharmacy that participates in the Wellpoint NextRx Network and show your ID card to receive benefits. Because your Outpatient Prescription Drug benefits are subject to the Plan Year Deductible, You should expect to pay for your prescription when You pick it up from the pharmacy, until the Deductible is met.
- 3) This is a mandatory generic Outpatient Prescription Drug program. If a generic equivalent exists for a brand name drug, You have two choices. You may request the generic and pay only the Deductible or 20% Coinsurance after the Deductible is met. Or You and your physician may request a brand name drug and You will be responsible for the following:
 - at a participating pharmacy You will be responsible for the applicable Deductible or 20% Coinsurance plus the difference between the Allowable Charge for the generic equivalent and the brand name drug.

Anytime You or your physician requests a brand name drug when a generic is available, the difference between the brand Allowable Charge and the generic Allowable Charge will not apply to your Plan Year Deductible or your Out-of-Pocket Expense Limit.

To find a pharmacy that participates in the WellPoint NextRx Network:

- refer to Your Health Plan's directory of network Providers at www.anthem.com/tlc
- check with your local pharmacy to see if they participate in the WellPoint NextRx Network; or
- call Anthem member services at **800-552-2682**.

WellPoint NextRx Network pharmacies, available nationwide, will automatically file claims for You and charge You only the required Deductible and Coinsurance amounts under your health care plan for covered prescriptions.

Anthem Blue Cross and Blue Shield may receive, directly or indirectly, financial credits from drug manufacturers whose products are included on formulary lists. Credits are received based on the utilization of the manufacturer's products by persons enrolled under contracts insured by or administered by Anthem. Credits received by virtue of the benefits provided under this section are retained by Anthem as a part of its compensation from the state for administrative services. Payments to pharmacies are not adjusted as a result of these credits.

- 4) Your Health Plan requires prior review of selected drugs before payment is authorized. Your doctor has a list of drugs that require special approval. This list is periodically modified. You may obtain a copy of this list by simply contacting Anthem Member Services or on the Web at www.anthem.com/tlc. Select TLC HDHP under the Plan Info/Forms tab, and select Search the Drug List. Your physician may request prior authorization by calling **800-338-6180**, or by faxing the request to **800-601-4829**. A written request, including drug name, quantity per day and strength, period of time the drug is to be administered, medical condition for which the drug is being prescribed, the patient's name, ID number, date of birth, and relationship to the employee, must be sent by your doctor along with applicable medical records to:

WellPoint NextRx
Drug Prior Authorization
P. O. Box 746000
Cincinnati, OH 45274

You will be notified in writing when a prescription is denied for coverage. Your physician will be notified of both approval and denial decisions.

Your Health Plan will not deny Prescription Drugs (or Inpatient or IV therapy drugs) used in the treatment of cancer pain on the basis that the dosage exceeds the recommended dosage of the pain relieving agent, if prescribed in compliance with established statutes pertaining to patients with intractable cancer pain.

- 5) You may also purchase your maintenance medication through the mail from WellPoint NextRx Pharmacy (NextRx), in Anthem's mail order pharmacy network, and have your prescription delivered directly to your home. To receive your maintenance medicine prescription by mail:

Ask your doctor to prescribe a 90-day supply of your maintenance medicine plus refills. If You need the medicine immediately, ask your doctor for two prescriptions: one to be filled right away and another to send to the mail service pharmacy.
Complete the order form which is enclosed within the mail service envelope. This is required for your first order only.
Mail your order form, written prescription(s), and a check to cover the amount of your Deductible and Coinsurance.

We suggest that You order your refill two weeks before You need it to avoid running out of your medication.

If You have questions about your mail service prescription, You may call **800-962-8192** for assistance.

You will receive your Prescription Drugs via first class mail or UPS approximately 14 days from the date You sent your order.

You will receive refill forms and a notice that shows the number of refills your doctor ordered in the package with your drugs. Mail the refill notice and the appropriate Deductible and Coinsurance amount to WellPoint Next Rx in the envelope provided.

- 6) You may need to file your own claim if:

your prescription is filled by a non-participating pharmacy;
You need to have a prescription filled before You receive your card; or
You have a prescription that requires special prior approval, but You need the prescription filled immediately.

Contact Anthem Member Services if You need a Prescription Drug Claim Form or if You have any questions about your drug program and related procedures. You may download this form at www.anthem.com/tlc and select TLC HDHP under the Plan Info/Forms tab. Then select Download Drug Forms.

To file a claim:

Complete the claim form. If possible, ask the pharmacist to complete the pharmacy section of the form and sign it.
Pay for the prescription.
Mail your claim form to the address on the back of the form. The claim must be received within 12 months after the end of the calendar year in which the services were received.

- 7) A prescription is needed for the purchase of diabetic supplies.

Health Plan Reimbursement

- 1) Your Health Plan pays the remaining Allowable Charge after You pay the Deductible and Coinsurance. The Plan Administrator will determine whether a particular generic prescription drug is equivalent to a brand name prescription drug. If You or your Provider determine to fill the prescription with a brand name drug when a generic equivalent is available, You will be responsible not only for the Deductible and Coinsurance, but also the difference between the Allowable Charge for the brand name drug and the Allowable Charge of its generic equivalent.
- 2) If the dispensing pharmacy is a network pharmacy, the Plan Administrator will direct benefit payment to that pharmacy. If the dispensing pharmacy is a non-network pharmacy, the Plan Administrator will direct payment to the member.
 - A network pharmacy is a pharmacy listed as a network pharmacy by the Plan Administrator at the time the prescription drug is dispensed.
 - A non-network pharmacy is any other pharmacy. At a non-participating pharmacy You pay the total price for the drug and file an Anthem Prescription Drug Claim Form. Reimbursement is limited to the Allowable Charge for the generic drug minus your Deductible or Coinsurance.
- 3) The benefits provided for services under this section are in lieu of any other benefits for the same services listed in any other section of this booklet. Any Deductible and Coinsurance listed for prescription drug services will not be eligible for Reimbursement as a covered service under any other section.

Member Pays

Retail and mail service	20% Coinsurance after Deductible
Diabetic Supplies	20% Coinsurance after Deductible

Specialty Medications

PrecisionRx Specialty Solutions is available to members who use specialty drugs. Specialty drugs are high cost, biotech drugs, usually injected or infused and used for the treatment of acute or chronic disease. These drugs often require special handling such as temperature controlled packaging and overnight delivery and are often unavailable at retail stores. PrecisionRx Specialty Solutions is currently available to members to provide specialty drugs. PrecisionRx Specialty Solutions network will fill both retail and mail order prescriptions, although the ability to provide a 90-day supply of a specialty drug may be limited by the storage requirements of that particular drug.

PrecisionRx Specialty Solutions provides dedicated patient care coordinators to help You manage your condition and toll-free twenty-four hour access to nurses and registered pharmacists to answer questions regarding your medications. Your doctor can order your specialty medication direct from PrecisionRx Specialty Solutions, and you may request refills by calling **800-870-6419**. You will be assigned a patient care coordinator who will work with You and your physician to obtain prior authorization and to coordinate the shipping of your medication directly to You or your physician's office. Your patient care coordinator will also contact You directly when it is time to refill your prescription.

You may obtain a list of specialty drugs available through the PrecisionRx Specialty Solutions network by contacting Anthem Member Services or on the Web at www.anthem.com/tlc. Select TLC HDHP under the Plan Info/Forms tab. Then select the PrecisionRx Specialty Solutions' link.

Outpatient Prescription Drug Refills When Traveling

If You are planning to travel on vacation or leaving home for an extended period, You may need one or more early refills of your medication. Participating retail pharmacies and the Wellpoint NextRx Mail service may routinely provide one early refill (up to a 34-day or a 90-day supply, as appropriate) to accommodate travel. However, for extended travel, members should complete the Prescription Drug Refill Exception Request form available on the TLC Web site at www.thelocalchoice.virginia.gov or from your Group Benefits Administrator. Send the completed form by fax or U.S. Mail to:

The Department of Human Resource Management (DHRM)
Office of Health Benefits
Attention: Policy and Instruction
101 North 14th Street, 13th Floor
Richmond, VA 23219
Fax: (804) 371-0231

DHRM will approve all valid requests and forward them to Anthem. A member of Anthem's customer service team will contact You to obtain specific medication information. Once You provide the medication information, a prior authorization will be entered for each medication requested and You will have 14 days to complete your purchase.

Please note:

- The maximum supply You may purchase at one time is 12 months.
- You will not be allowed to purchase more refills than prescribed. For example, if your one-year prescription expires six months from the date of your request, You cannot purchase more than a six-month supply of medication.
- You will be charged the appropriate Deductible and Coinsurance for refills requested on the form. For example, You will be charged for a 6-month supply of medication if You requested a 6-month supply on the form and later decided to purchase only a 3-month supply at the pharmacy.
- The Food and Drug Administration limits early refills on certain medications.
- Allow at least two weeks for complete processing of your request.
- The Commonwealth reserves the right to bill a member for any months of medication remaining if employment terminates.

DENTAL SERVICES

Services Which Are Eligible for Reimbursement

1) Diagnostic and preventive care

Your Health Plan provides coverage for You to see your dentist twice a year for a checkup. This allows your dentist to identify any possible problems and to try and prevent cavities and serious Dental problems. The following services are generally covered:

- two routine oral evaluations per Plan Year;
- two Dental prophylaxes (cleanings) per Plan Year, including scaling and polishing of teeth;
- dental x-rays (except x-rays needed to fit braces); bitewing x-rays limited to two per Plan Year;
- one full mouth x-ray or panorex every 36 months;
- direct fluoride application to natural teeth for members under age 19 (up to two per Plan Year);
- space maintainers (not made of precious metals);
- pulp vitality tests (up to two tests per Plan Year);
- palliative Emergency treatment;
- Dental pit/fissure sealants on first and second permanent molars for members under age 19;
- bite planes or splints to increase vertical dimension for temporomandibular joint or associated myofacial pain disorders;
- occlusal adjustments for temporomandibular joint disorders; and
- occlusal night guards for demonstrated tooth wear due to bruxism.

2) Primary Services

After your dentist has examined your teeth, You may need additional Dental work. Your Health Plan includes coverage for the following:

- fillings (amalgam or tooth-colored materials);
- pin retention;
- simple extractions of natural teeth and surgical extractions of fully erupted teeth;
- root canal therapy (endodontics);
- care for abscesses in the mouth (excision and drainage);
- repair of broken removable dentures;
- surgical preparation of ridges for dentures;
- re-cementing existing crowns, inlays and bridges;
- removing infected parts of the gum and replacing them with healthy tissue (gingivectomy and gingivoplasty);
- scaling and root planing of the gum;
- stainless steel crowns;
- sedative fillings;
- therapeutic pulpotomy;
- periodontal evaluation (not in addition to periodic evaluations);
- an operation to remove diseased portions of bone around the teeth (osseous surgery);
- soft tissue grafts;
- bone graft (only around natural teeth);
- guided tissue regeneration;
- general anesthesia in connection with a covered surgical Dental service;

crown lengthening when bone is removed and at least six weeks are allowed for healing;
frenectomies;
hemisection and root amputations;
apicoectomies;
periodontal maintenance (limited to two per Plan Year); and
trips by the dentist to your home if You need any of the services You see listed here.

3) Prosthetic and complex restorative services

If preventive or primary services fail to save a tooth, You have coverage for prosthetic and complex restorative services. These benefits include:

inlays (limited to the benefit for a resin restoration unless part of partial or bridge abutment);
onlays;
crowns (not part of bridge);
post and core build-ups for crowns;
labial veneers involving the incisal edge of anterior teeth, porcelain laminate (laboratory processed);
Dental implants;
dentures (full and partial), and denture adjustments and relining; and
fixed bridges and repair.

4) Orthodontic services

Your Health Plan provides coverage for the following orthodontic services:

orthodontic services to correct a handicapping malocclusion (defined as a severe deviation from the normal range of positioning of teeth). The malocclusion must be abnormal and correctible.
tooth guidance and harmful habit appliances;
interceptive treatment;
surgical exposure of unerupted teeth when performed for orthodontic purposes; and
orthodontic evaluations when no treatment is initiated.

5) Non-Routine Medical benefits for oral surgery

Your Medical benefits cover oral surgery for:

surgical removal of impacted teeth;
maxillary or mandibular frenectomy when not related to a Dental procedure;
alveolectomy when related to tooth extraction;
orthognathic surgery that is required because of a medical condition or injury which prevents normal function of the joint or bone and is deemed Medically Necessary to attain functional capacity of the affected part;
surgical services on the hard or soft tissue in the mouth when the main purpose is **not** to treat or help the teeth and their supporting structures;
the treatment of medically diagnosed cleft lip, cleft palate, or ectodermal dysplasia;
Dental services and Dental appliances furnished when required to treat medically diagnosed cleft lip, cleft palate, or ectodermal dysplasia; and
Dental services to prepare the mouth for radiation therapy to treat head and neck cancer.

6) Non-Routine Medical for accidental injury

Your Health Plan provides coverage for the following non-routine Dental services through the Medical benefits:

Medically Necessary Dental services when required to diagnose or treat an accidental injury to the teeth if the accident occurs while You are covered under Your Health Plan.

the repair of Dental appliances damaged as a result of accidental injury to the jaw, mouth or face;

7) General Anesthesia and Hospitalization

Your Health Plan provides coverage for the following services through the Medical benefits:

- Covered general anesthesia and hospitalization services for children under the age of 5, Covered Persons who are severely disabled, and Covered Persons who have a medical condition that requires admission to a hospital or Outpatient surgery Facility.

Conditions for Reimbursement

- 1) Medical necessity review is required for non-routine oral surgery.
- 2) Dental services resulting from an accidental injury are covered, provided that, for an injury occurring on or after your Effective Date of coverage you:

seek treatment within 60 days after the injury;
submit a plan of treatment from your dentist or oral surgeon for prior approval by Anthem.

Services and appliances are covered for adults if rendered within a two-year period after the accidental injury. The two-year restriction may be waived for children under age 18. Actual treatment may be delayed if tooth/bone maturity is in question and standard industry protocols are followed. However, a treatment plan must be filed within six months of the accident and treatment must be completed within two years of active treatment commencement and prior to age 20. For the waiver to be granted, continuous coverage under Your Health Plan is required.

- 3) Permanent crowns must be authorized in advance for members under age 16.
- 4) General anesthesia and hospitalization services are only provided when it is determined by a licensed dentist, in consultation with the Covered Person's treating physician, that such services are required to effectively and safely provide Dental care.

Special Limits

- 1) A Plan Year Dental Deductible applies to routine Dental services. The Deductible is \$25 for single membership, \$50 for employee plus one membership and \$75 for family membership.
- 2) Reimbursement for routine Dental services (diagnostic and preventive care, primary services, prosthetic and complex restorative services combined) is limited to \$1,500 per member per Plan Year.

- 3) Reimbursement for routine orthodontic services is limited to \$1,500 per member per lifetime.
- 4) If You transfer from the care of one dentist to another during a course of treatment, Your Health Plan will only pay the amount it would pay to one dentist for the same treatment.
- 5) If more than one dentist renders services for one procedure, the Plan Administrator will only pay the amount it would pay to one dentist for the same treatment.
- 6) For certain types of services, your dentist may want to submit a plan of treatment in advance to be sure that the treatment is considered Medically Necessary covered services. Prior review is recommended for any treatment plan that is expected to cost more than \$250. However, if a plan of treatment is approved in advance, that is not a guarantee of payment if, for example, new information is submitted with the claim indicating that a less costly method of treatment would be appropriate.
- 7) Replacement of prosthetic appliances, occlusal night guards, dentures, crowns, crown buildups, post and core to support crowns, onlays and bridges is limited to once every five-year period. There is one exception: Replacement of a bridge will be provided prior to the end of the five-year period if one or more abutment teeth are extracted.
- 8) For orthodontic services no benefits will be provided for replacement or repair of any appliance used during the course of treatment.
- 9) Orthodontic benefits paid under any other self-funded Commonwealth of Virginia coverage will count against the orthodontic services lifetime limit.
- 10) Non-routine Dental services covered under the medical benefit are subject to the Medical Plan Year Deductible and Out-of-Pocket Expense Limit.
- 11) Injury as a result of chewing or biting is not considered an accidental injury and would not be covered by the health plan under medical services.

Health Plan Reimbursement

Your Health Plan pays the remaining Allowable Charge after your Deductible and Coinsurance for Dental services.

Member Pays

Diagnostic and Preventive Care	\$0 no Deductible
Primary services	20% after Dental Deductible
Complex Restorative	50% after Dental Deductible
Orthodontic services	50% no Deductible
Oral Surgery	20% Coinsurance after Medical Deductible
Accidental Injury	20% Coinsurance after Medical Deductible
General Anesthesia and Hospitalization	20% Coinsurance after Medical Deductible

OTHER COVERED SERVICES

Services Which Are Eligible for Reimbursement

The following Other Covered Services are eligible for Reimbursement:

- 1) Ambulance services when used locally to or from a covered Facility or Provider's office.
- 2) Medical supplies are covered if they are prescribed by a covered Provider. Some medical supplies require medical necessity review. An example of medical supplies is oxygen and equipment (respirators) for its administration. Medical necessity review is required. Contact Anthem Member Services at **800-552-2682**.
- 3) The cost of fitting, adjustment, and repair of the following items when prescribed by your doctor for Activities of Daily Living:

artificial limbs, including accessories;
orthopedic braces;
leg braces, including attached or built-up shoes attached to the leg brace;
arm braces, back braces and neck braces;
head halters;
catheters and related supplies;
orthotics, other than foot orthotics;
splints; and
breast prostheses.

- 4) The rental (or purchase if that would be less expensive) of Medical Equipment (durable) when prescribed by your doctor. Also covered are maintenance and necessary repairs of Medical Equipment (durable) except when damage is due to neglect. Network Medical Equipment (durable) Providers are shown in the Anthem Commonwealth of Virginia and The Local Choice Medical Provider Directory under Ancillaries, Durable Medical Equipment. If You obtain equipment from a non-network Medical Equipment (durable) Provider, You may still have coverage. However, in addition to your Deductible and Coinsurance, the non-network Provider may bill You for the difference between the Allowable Charge and the Provider's charge.

Coverage includes equipment such as:

- nebulizers;
- hospital-type beds;
- wheelchairs;
- traction equipment;
- walkers; and
- crutches.

In addition, rental of Medical Equipment (durable) will be provided for a limited time for a condition for which You received covered services before your coverage ended. The time will be the shorter of when You become covered under any other group coverage, or the end of the Plan Year your coverage ends, or a period equal to the time You were enrolled under Your Health Plan.

Medical necessity review is required. Contact Anthem Member Services at **800-552-2682** for assistance with medical necessity review.

- 5) Special medical formulas which are the primary source of nutrition for Covered Persons with inborn errors of amino acid or organic acid metabolism, metabolic abnormality or severe protein or soy allergies. These formulas must be prescribed by a physician and required to maintain adequate nutritional status.
- 6) Covered diabetic equipment includes:
 - insulin pumps and associated supplies;
 - lancet devices; and
 - calibrator solution.
- 7) Prescribed services performed by a licensed private duty nurse.
- 8) The following prescribed eyeglasses or contact lenses are eligible for Reimbursement only when required as a result of surgery or for treatment of accidental injury:
 - a. eyeglasses or contact lenses which replace human lenses lost as the result of intra-ocular surgery or accidental injury to the eye;
 - b. "Pinhole" glasses used after surgery for a detached retina;
 - c. lenses used instead of surgery, such as:
 - contact lenses for the treatment of infantile glaucoma;
 - corneal or scleral lenses in connection with keratoconus;
 - scleral lenses to retain moisture when normal tearing is not possible or is not adequate; or
 - corneal or scleral lenses to reduce a corneal irregularity (other than astigmatism).

A maximum of one set of eyeglasses or one set of contact lenses will be covered for your original prescription or for any change in your original prescription. Examination and replacement for a prescription change are covered only when the change is due to the condition for which You needed the original prescription.

Conditions for Reimbursement

- 1) With respect to private duty nursing services, only services by a Registered Nurse (R.N.) or a Licensed Practical Nurse (L.P.N.) are covered. Also,
 - these services must be Medically Necessary;
 - the nurse may not be a relative or of your family;
 - your Provider must explain why the services are required; and
 - your Provider must describe the medically skilled service provided.
- 2) For Medical Equipment (durable), your Provider must, upon request, explain why the equipment is needed and how long it will be used.
- 3) For coverage of ambulance services:
 - The trip to the facility or office must be to the nearest one recognized by the Plan Administrator as having services adequate to treat your condition.

INDIVIDUAL CASE MANAGEMENT PROGRAM

Individual case management is included under your Medical and Behavioral Health benefits. In addition to the covered services listed in this booklet, Your Health Plan may elect to offer benefits for an approved alternate treatment plan for a patient who would otherwise require more expensive covered services. This includes, but is not limited to, long term Inpatient care. Your Health Plan will provide alternate benefits at its sole discretion.

It will do so only when and for so long as it decides that the services are Medically Necessary and cost effective. The total benefits paid for such services may not exceed the total that would otherwise be paid without alternate benefits. If Your Health Plan elects to provide alternate benefits for a Covered Person in one instance, it will not be required to provide the same or similar benefits for any Covered Person in any other instance. Also, this will not be construed as a waiver of Your Health Plan's right to enforce the terms of Your Health Plan in the future in strict accordance with its express terms.

Also, from time to time Your Health Plan may offer a Covered Person and/or their Provider or facility information and resources related to disease management and wellness initiatives. These services may be in conjunction with the Covered Person's medical condition or with therapies that the Covered Person receives, and may or may not result in the provision of alternative benefits as described in the preceding paragraph.

BLUECARD PROGRAM

BlueCard® PPO for Care within the United States

If you need medical care outside the Anthem network and within the United States, You will have access to care from a BlueCard PPO Provider. Through the BlueCard PPO program, your Anthem Blue Cross and Blue Shield ID card is accepted by physicians and hospitals throughout the country who participates with another Blue Cross Blue Shield company. These Providers accept your Coinsurance at the time of service instead of requiring full payment. They file claims directly to their local Blue Cross Blue Shield company for You, and have agreed to accept the Allowable Charge established by the local company as payment in full.

To locate a BlueCard PPO physician or hospital call **800-810-BLUE (2583)**. Or use the BlueCard Doctor and Hospital Finder on the Web at www.bcbs.com. Providers can also tell You if they participate in BlueCard PPO when You call to make an appointment.

Simply present your Anthem ID card when You receive care. The PPO suitcase logo at the top of your card tells the physician or hospital that your medical plan includes the BlueCard PPO program.

How Charges Are Calculated for BlueCard PPO Services

If the amount You pay for a covered service is based on the charge for that service, the charge used to calculate your part will be the lower of:

- the billed charge for the covered service; or
- the negotiated price passed on to Anthem by the local Blue Cross and/or Blue Shield Plan.

Often, this "negotiated price" will consist of a simple discounted price, but it can also be an estimated or average price allowed under the BlueCard Program and applied under the terms of your medical plan.

An estimated price takes into account special arrangements with a Provider or Provider group that include settlements, withholds, non-claims transactions (such as Provider advances) and other types of variable payment. An average price is based on a discount that takes into account these same special arrangements. Of the two, estimated prices are usually closer to the actual prices. Negotiated prices may be adjusted going forward to correct for over-or underestimation of past prices. However, the amount You pay is considered a final price. More detailed information about negotiated prices is included in the group policy.

Laws in a small number of states may require the local Blue Cross and/or Blue Shield Plan to:

- use another method for, or
- add a surcharge to, your liability calculation.

If any state laws mandate other liability calculation methods, including a surcharge, Anthem Blue Cross and Blue Shield would then calculate your liability for any covered health care services according to the applicable state law in effect when You received care.

BlueCard Worldwide® for Care outside the United States

If You live or travel outside the United States, the BlueCard Worldwide program assists You to obtain Inpatient and Outpatient hospital care and physician services.

Follow these steps before You travel:

- 1) Obtain a list of BlueCard Worldwide hospitals located where You will be traveling or staying. You may obtain this information on the Web at www.bcbs.com. Select the "Healthcare Coverage" tab, then "Preferred Provider Organization (PPO)" under Types of Coverage. Or You may call **800-810-BLUE (2583)** for assistance.
- 2) Be sure to carry your Anthem medical ID card with You and present it when You need Inpatient care.

If You need care once You arrive at your destination, follow these simple steps:

Inpatient hospital care (non-emergency):

- 1) Call the BlueCard Worldwide Service Center at **804-673-1177** (use a local operator to set up a collect call to the U.S.). A BlueCard Worldwide Service Center representative will accept the charges and will facilitate hospitalization at a BlueCard Worldwide hospital. It is important that You call the Service Center in order to obtain cash-less access for Inpatient care. The hospital will submit your claim for You. The Service Center is staffed with multilingual representatives and is available 24 hours a day, seven days a week.
- 2) Call Anthem Member Services at **804-355-8506** for hospital admission review.

Inpatient hospital care (Emergency):

Bypass the above steps. Go to the nearest hospital. Call the BlueCard Worldwide Service Center at **804-673-1177** (use a local operator to set up a collect call to the U.S.) if You are admitted to arrange cash-less access (available in most cases). A BlueCard Worldwide Service Center representative will assist You. A family member or friend can make this call for You.

Outpatient hospital care/Physicians services:

- 1) Call the BlueCard Worldwide Service Center at **804-673-1177** (or use a local operator to set up a collect call to the U.S.) if You would like information on physicians or the charges, and if You want, make an appointment with a doctor for You, or will direct You to a hospital.
- 2) You will need to pay for your care and then submit a claim using the International Claim Form to the BlueCard Worldwide Service Center (address is on the claim form). Contact the Service Center for the form, or You may download the form on the Web at www.bcbs.com. Select the "Healthcare Coverage" tab, then "When Working or Travelling Abroad".

PROGRAMS INCLUDED IN YOUR HEALTH PLAN

CommonHealth Wellness Program

This program is designed to make a positive difference in your health by integrating health awareness into the workplace. CommonHealth features a variety of medical screenings including cholesterol and blood pressure; and challenges; health education programs and other activities. For more information, visit www.thelocalchoice.virginia.gov and click on the CommonHealth link. This program is not generally available to retirees.

24/7 NurseLine and AudioHealth Library

Illness or injury can happen, no matter what time of day. As a TLC HDHP health plan member, You have access to a team of nurses, available to assist with your questions or concerns, 24 hours a day, seven days a week. These registered nurses can discuss symptoms You are experiencing, how to get the right care in the right Setting and more. You can call as often as You like. Call **800-337-4770**.

For those who aren't comfortable discussing their health concerns with someone else or those just looking for more information on a health topic, the AudioHealth Library has more than 300 recorded health topics. Call **800-337-4770** to access this line. For the list of topics, go to anthem.com/tlc and select AudioHealth Library under Special Programs.

Future Moms

You (or your covered dependent) are eligible to participate in the Future Moms program. This free program is designed to help women have healthy pregnancies and healthy babies. A Future Moms registered nurse is assigned to women identified as having greater risk of premature delivery. The nurse works with the mother and her doctor throughout the pregnancy to help avoid complications and to help ensure that the baby is born at a healthy weight.

As soon as pregnancy is confirmed, sign up for the program by calling **800-828-5891**. You will receive:

- toll-free access to a registered nurse, any time day or night, in case You have questions or concerns along the way;
- a prenatal book to help You follow your pregnancy week by week, materials to help You handle the unexpected; and
- postpartum support and guidance in areas like breastfeeding and depression.

ConditionCare

If You or a family member are living with asthma, diabetes, coronary artery disease (CAD), heart failure, chronic obstructive pulmonary disease (COPD), hypertension, hyperlipidemia, or obesity, You know the impact that it has on your life. This confidential disease management program will provide the tools and support needed to minimize your condition's effects, improve your health and help You feel better.

ConditionCare is a voluntary program and information is held in strict confidence. To register for this program, call **800-445-7922**. A dedicated nurse will be available to answer your questions,

help You coordinate your benefits, and provide support to help You follow your doctor's plan of treatment.

When You call, please be sure to have your health insurance ID card and physician's name and address available.

In addition to members calling to enroll, the program receives names of members with certain chronic health conditions from medical and pharmacy claims, and case managers. You may be contacted by a ConditionCare enrollment specialist to find out if You or any of your eligible family members would like to participate in this program. With your permission, your health care information will be verified and will be shared with the ConditionCare staff and your physician. If your condition is under control or You are not interested in participating in the program, feel free to contact ConditionCare at **800-445-7922** to notify an enrollment specialist that You are not interested and do not wish to be contacted further.

EXCLUSIONS

The following services are not eligible for reimbursement under any circumstances.

A

Your coverage does not include benefits for **acupuncture**.

B

Your coverage, in addition to services shown as not covered throughout this section, does not include benefits for **Behavioral Health services** as follows:

- Inpatient treatment or Inpatient Stay for conditions requiring only observation, diagnostic examinations, or diagnostic laboratory testing;
- Inpatient treatment which might safely and adequately be rendered in a home, Provider's office, or at any lesser level of institutional care;
- Inpatient rehabilitation for the sole treatment of a chemical dependency diagnosis;
- services provided as a result of failure or refusal to obtain treatment or follow a plan of treatment prescribed or directed by a practitioner;
- court ordered examinations or care unless Medically Necessary;
- routine examinations or testing (may be covered under Medical);
- illness resulting from or relating to commission of a felony;
- treatment of anti-social personality, sexual deviation or sexual dysfunction, social maladjustment without apparent psychiatric disorder, learning disabilities, and conduct and oppositional disorders;
- examination of an Inpatient that is not related to the Behavioral Health diagnosis;
- marital counseling without the presence of an identified patient with a covered diagnosis in the Diagnostic and Statistical Manual of Mental Disorders;
- education therapy, speech therapy, vocational therapy, coma-stimulation therapy, activities therapy, recreational therapy, and cognitive rehabilitation therapy;
- psychoanalysis to complete degree or residency requirements;
- pastoral counseling;
- psychological testing for educational purposes;
- hypnosis for disorders not classified in the Diagnostic and Statistical Manual of Mental Disorders;
- treatment of conditions not recognized in the Diagnostic and Statistical Manual of Mental Disorders such as adult child of alcoholic families, "ACOA", or co-dependency; conditions classified as "V-codes" in the Diagnostic and Statistical Manual of Mental Disorders;
- conditions arising from developmental disorders (mental retardation, academic skills disorders, motor skills disorders);
- developmental and organic brain disorders in which demonstrable and significant improvement from psychiatric treatment is unlikely);
- Inpatient Stays for environmental changes; or
- remedial or special education services.

Your coverage does not include benefits for **biofeedback therapy**.

C

Your coverage does not include benefits for:

- over-the-counter **convenience** and hygienic items. These include, but are not limited to, adhesive removers, cleansers, underpads, and ice bags; or
- **cosmetic surgery or procedures, including complications** that result from such surgeries and/or procedures. The severity of the complication is not a mitigating factor.
- Cosmetic surgeries and procedures are performed mainly to improve or alter a person's appearance including body piercing and tattooing. A cosmetic surgery or procedure does not include a surgery or procedure to correct deformity caused by disease, trauma, or a previous therapeutic process, or to correct congenital abnormalities that cause functional impairment. The patient's mental state will not be considered in deciding if the surgery is cosmetic.

D

Your coverage does not include benefits for the following **Dental** services. This list includes the majority of Dental services not covered under your plan, and is not a comprehensive list of all non-covered services:

- services rendered after the date of termination of the Covered Person's coverage. There is one exception. Covered prosthetic services which are prepped or ordered before the termination date are covered if completed within 30 days following the termination date;
- brush biopsies of the oral cavity;
- gold foil restorations;
- athletic mouth guards;
- temporary dentures or temporary crowns when billed separately from permanent dentures or crowns;
- duplicate dentures;
- oral, inhalation or intravenous (IV) sedation;
- bleaching of discolored teeth;
- Dental pit/fissure sealants on other than first and second permanent molars;
- root canal therapy on other than permanent teeth;
- pulp capping (direct or indirect);
- upgrading of working Dental appliances;
- precision attachments for Dental appliances;
- tissue conditioning;
- separate charges for infection control procedures and procedures to comply with OSHA requirements;
- separate charges for routine irrigation or re-evaluation following periodontal therapy;
- analgesics (nitrous oxide);
- general anesthesia except in conjunction with oral surgery, surgical periodontia, or surgical endodontia and then only when the underlying Dental service is a covered benefit;
- diagnostic photographs;
- periodontal splinting and occlusal adjustments for periodontal purposes;
- controlled release of medicine to tooth crevicular tissues for periodontal purposes;
- tooth desensitizing treatments;
- care by more than one dentist when You transfer from one dentist to another during the course of treatment;

- care by more than one dentist for one Dental procedure, or by someone other than a dentist or qualified dental hygienist working under the supervision of a dentist;
- preventive control programs, or oral hygiene instructions;
- complimentary services or Dental services for which the member would not be obligated to pay in the absence of the coverage under this plan or any similar coverage;
- Dental services for lost, misplaced or stolen prosthetic devices including orthodontic retainers, space maintainers, bridges and dentures (among other devices);
- services that Anthem determines are for the purpose of cosmetic surgery or dentistry for cosmetic purposes;
- services that Anthem determines are for the purpose of correcting congenital malformations or replacing congenitally missing teeth;
- Dental services for increasing vertical dimension, restoring occlusion, correcting developmental malformations, or for esthetic purposes;
- services billed under multiple Dental service procedure codes which Anthem, in its sole discretion, determines should have been billed under a single, more comprehensive Dental service procedure code. Anthem's payment is based on the allowance for the more comprehensive code, not on the allowances for the underlying component codes; and;
- any services not listed as covered services, or services determined by Anthem, in its sole discretion, to be not necessary or customary for the diagnosis or treatment of the condition. Anthem will take in to account generally accepted Dental practice standards in the area in which the Dental service is provided. In addition, a Covered Person must have a valid need for each covered benefit. A valid need is determined in accordance with generally accepted standards of dentistry.

E

Your coverage does not include benefits for **educational** or teacher services except as specified in this booklet.

Your Medical and Behavioral Health coverage does not include benefits for **Experimental/Investigative** procedures, as well as services related to or complications from such procedures, except for Clinical Trial Costs for cancer. The criteria for deciding whether a service is Experimental/Investigative or a Clinical Trial Cost for cancer are described in the Definitions section of this booklet.

F

Your coverage does not include benefits for **family planning** services. These include:

- services for artificial insemination or in vitro fertilization or any other types of artificial or surgical means of conception, including any drugs administered in connection with these procedures;
- medications used to treat infertility even if they are used for an indication other than fertility; or
- services for abortions, except in the following circumstances and only if not otherwise contrary to law: when Medically Necessary to save the life of the mother; when the pregnancy occurs as a result of rape or incest which has been reported to a law enforcement or public health agency; or when the fetus is believed to have an incapacitating physical deformity or incapacitating mental deficiency which is certified by a Provider.

Your coverage does not include benefits for palliative or cosmetic **foot care** including:

- flat foot conditions;
- support devices, arch supports, foot inserts, orthopedic and corrective shoes that are not part of a leg brace and fittings, castings and other services related to devices of the feet;
- foot orthotics;
- subluxations of the foot;
- corns (except as treatment for patients with diabetes or vascular disease);
- bunions (except capsular or bone surgery);
- calluses (except capsular or bone surgery);
- care of toenails (except capsular or bone surgery);
- fallen arches;
- weak feet;
- chronic foot strain; or
- symptomatic complaints of the feet.

H

Your coverage does not include benefits for routine **hearing care** for a routine hearing loss that is not due to a specific illness or injury, hearing aids or exams for these devices, except as covered under **Well Child** care.

Your coverage does not include benefits for the following **Home Care Services**:

- homemaker services;
- maintenance therapy;
- food and home-delivered meals; or
- custodial care and services.

Your coverage does not include benefits for the following **Hospital Services**:

- guest meals, telephones, televisions, and any other convenience items received as part of Your Inpatient Stay; or
- care by interns, residents, house physicians, or other Facility employees that are billed separately from the Facility.

M

Your coverage does not include benefits for **Medical Equipment (durable), appliances and devices, and medical supplies** that have both a non-therapeutic and therapeutic use, such as:

- exercise equipment;
- air conditioners, dehumidifiers, humidifiers, and purifiers;
- hypoallergenic bed linens;
- whirlpool baths;
- handrails, ramps, elevators, and stair glides;
- telephones;
- adjustments made to a vehicle;
- foot orthotics;

- changes made to a home or place of business; or
- repair or replacement of equipment You lose or damage through neglect.

Your coverage does not include benefits for Medical Equipment (durable) that is not appropriate for use in the home.

Your coverage does not include benefits for services and supplies if they are deemed not **Medically Necessary** as determined by Anthem at its sole discretion. Nothing in this exclusion shall prevent You from appealing Anthem's decision that a service is not Medically Necessary.

However, if You receive Inpatient or Outpatient services that are denied as not Medically Necessary, or are denied for failure to obtain the required authorization, the following professional Provider services that You receive during your Inpatient Stay or as part of your Outpatient services will not be denied under this exclusion in spite of the medical necessity denial of the overall services:

For Inpatients

1. services that are rendered by professional Providers who do not control whether You are treated on an Inpatient basis, such as pathologists, radiologists, anesthesiologists, and consulting physicians.
2. services rendered by your attending Provider other than Inpatient evaluation and management services provided to You. Inpatient evaluation and management services include routine Visits by your attending Provider for purposes such as reviewing patient status, test results, and patient medical records. Inpatient evaluation and management Visits do not include surgical, diagnostic, or therapeutic services performed by your attending Provider.

For Outpatients - services of pathologists, radiologists and anesthesiologists rendering services in an (i) Outpatient hospital Setting, (ii) Emergency room, or (iii) ambulatory surgery Setting. However, this exception does not apply if and when any such pathologist, radiologist or anesthesiologist assumes the role of attending physician.

N

Your coverage does not include benefits for **nutritional counseling** and related services, except when provided as part of diabetes education, or in conjunction with covered surgery to treat morbid obesity.

O

Your coverage does not include benefits for care of **obesity** or services related to weight loss or dietary control, including complications that directly result from such surgeries and/or procedures. This includes weight reduction therapies/activities, even if there is a related medical problem.

The exception to this exclusion is for morbid obesity as set forth in the **Facility Services** section.

Your coverage does not include benefits for **organ or tissue transplants** including complications caused by them, except as outlined under the **General Rules Governing Benefits** section.

Your **Outpatient Prescription Drug** benefit does not include coverage for:

- over-the-counter drugs;
- any per unit, per month quantity over the Plan's limit;
- drugs used mainly for cosmetic purposes;
- drugs that are Experimental, Investigational, or not approved by the FDA;
- cost of medicine that exceeds the Allowable Charge for that prescription;
- drugs for weight loss, except in conjunction with covered treatment of morbid obesity;
- therapeutic devices or appliances;
- injectable Prescription Drugs that are supplied by a Provider other than a pharmacy;
- charges to inject or administer drugs;
- drugs not dispensed by a licensed pharmacy;
- drugs not prescribed by a licensed Provider;
- any refill dispensed after one year from the date of the original prescription order;
- medicine covered by workers' compensation, Occupational Disease Law, state or government agencies;
- medicine furnished by any other drug or Medical Service;
- medications used to treat infertility even if they are used for an indication other than fertility;
- replacements for lost or stolen prescriptions; or
- medications used to treat short stature syndrome.

P

Your coverage does not include benefits for **paternity testing**.

Your coverage does not include benefits for **private duty nurses** in the Inpatient Setting.

R

Your coverage does not include benefits for rest cures, custodial, **residential**, halfway house or domiciliary care and services. Whether care is considered residential will be determined based on factors such as whether You receive active 24-hour skilled professional nursing care, daily physician Visits, daily assessments, and structured therapeutic services.

Your coverage does not include benefits for care from a **residential treatment center** or other non-skilled sub-acute Settings, except to the extent such Setting qualifies as a substance abuse treatment facility licensed to provide a continuous, structured, 24-hour-a-day program of drug or alcohol treatment and rehabilitation including 24-hour-a-day nursing care.

S

Your coverage does not include benefits for **services or supplies** as follows:

- ordered by a doctor whose services are not covered under Your Health Plan;
- care of any type given along with the services of an attending Provider whose services are not covered;
- not listed as covered under Your Health Plan;
- not prescribed, performed, or directed by a Provider licensed to do so;
- received before the Effective Date of coverage or after a Covered Person's coverage ends;
- telephone consultations or consultations by other electronic means, charges for not

- keeping appointments, or charges for completing claim forms;
- for travel, whether or not recommended by a physician;
- given by a member of the Covered Person's immediate family;
- provided under federal, state, or local laws and regulations. This includes Medicare and other services available through the Social Security Act of 1965, as amended, except as provided by the Age Discrimination Act. This exclusion applies whether or not You waive your rights under these laws and regulations. It does not apply to laws that make the government program the secondary payor including TriCare, after benefits under this policy have been paid.
- provided under a U. S. government program or a program for which the federal or state government pays all or part of the cost. This exclusion does not apply to health benefits plans for civilian employees or retired civilian employees of the federal or state government;
- received from an employer mutual association, trust, or a labor union's dental or medical department; or
- for diseases contracted or injuries caused because of participation in war, declared or undeclared, voluntary participation in civil disobedience, or other such activities.

Your coverage does not include benefits for services for which a charge is not usually made. This includes services for which You would not have been charged if You did not have health care coverage.

Your coverage does not include benefits for:

- amounts above the Allowable Charge for a service;
- self-administered services or self-care;
- self-help training; or
- biofeedback, neurofeedback, and related diagnostic tests.

Your coverage does not include benefits for surgeries for **sexual dysfunction**. In addition, your coverage does not include benefits for services for **sex transformation**. This includes Medical and Behavioral Health services.

Your coverage does not include benefits for the following **Skilled Nursing Facility Stays**:

- treatment of psychiatric conditions and senile deterioration;
- a private room unless it is Medically Necessary; or
- Facility services during a temporary leave of absence from the Facility.

T

Your coverage does not include benefits for the following **therapy services**:

physical therapy, occupational therapy, or speech therapy to maintain or preserve current functions if there is no chance of improvement or reversal except for children under age 3 who qualify for early intervention services;

group speech therapy;

group or individual exercise classes or personal training sessions; or recreation therapy. This includes, but is not limited to, sleep, dance, arts, crafts, aquatic, gambling, and nature therapy.

V

Your coverage does not include benefits for the following **vision services**:

- services for surgery to correct nearsightedness and/or farsightedness. This type of surgery includes keratoplasty and Lasik procedure;
- services for vision training and orthoptics;
- sunglasses of any type;
- services needed for employment or given by a medical department, clinic, or similar service provided or maintained by the employer; or
- any other vision services not specifically listed as covered.

W

Your health plan does not include benefits for services or supplies if they are for **work-related** injuries or diseases when the employer, or worker if self-employed, must provide benefits by federal, state, or local law or when that person's work related health claims have been paid by the employer. This exclusion applies even if You waive your right to payment under these laws and regulations or fail to comply with your employer's procedures to receive the benefits. It also applies whether or not the Covered Person reaches a settlement with his or her employer or the employer's insurer or self-insurance association because of the injury or disease.

BASIC PLAN PROVISIONS

1) **The Department's Right to Change, End, and Interpret Benefits**

Your Health Plan is sponsored by the Commonwealth of Virginia (The Local Choice) and administered by the Department of Human Resource Management. The Department is authorized to, and reserves the right to, change or terminate Your Health Plan on behalf of the Commonwealth at any time. These retained rights extend, without limit, to all aspects of Your Health Plan, including, benefits, eligibility for benefits, Provider Networks, premiums and contributions required of employees. The Department is also authorized and empowered to exercise discretion in interpreting the terms of Your Health Plan and such discretionary determination will be binding on all parties.

2) **You and Your Provider**

You have the right to select your own Provider of care. Services provided by an institutional Provider are subject to the rules and regulations of the health plan You select. These include rules about admission, discharge, and availability of services. Neither the Plan Administrator, the State, nor the TLC HDHP Plan guarantees admission or the availability of any specific type of room or kind of service. Neither the Plan Administrator, the State, nor the TLC HDHP Plan will be responsible for acts or omissions of any Facility. Neither the Plan Administrator, the State, nor the TLC HDHP Plan will be liable for the negligence, misconduct, malpractice, refusal or inability to render services, or any other failing of a Facility. Neither the Plan Administrator, the State, nor the TLC HDHP Plan will be liable for breach of contract because of anything done, or not done, by a Facility.

Similarly, the Plan Administrator is obligated only to pay, in part, for the services of your professional Provider to the extent the services are covered. Neither the Plan Administrator, the State, nor the TLC HDHP Plan guarantees the availability of a Provider's services. Neither the Plan Administrator, the State, nor the TLC HDHP Plan will be responsible for acts or omissions of any Provider. Neither the Plan Administrator, the State, nor the TLC HDHP Plan will be liable for the negligence, misconduct, malpractice, refusal or inability to render services, or any other failing of a Provider. Neither the Plan Administrator, the State, nor the TLC HDHP Plan will be liable for breach of contract because of anything done, or not done, by a Provider. The same limitations apply to services rendered or not rendered by a Provider's employee.

You must tell the Provider that You are eligible for services. When You receive services, show Your Health Plan identification card. Show only your current card.

3) **Privacy Protection and Your Authorization**

Information may be collected from other people and Facilities. This is done in order to administer your coverage. The information often comes from medical care Facilities and medical professionals who submit claims for You. Collected information is disclosed to others only in accordance with the guidelines set forth in the Health Insurance Portability and Accountability Act (HIPAA) and in the Virginia Insurance Information and Privacy Protection Act.

When You apply for coverage under the TLC HDHP Plan, You agree that the Plan Administrator may request any medical information or other records from any source when related to claims submitted to the Plan Administrator for services You receive. By accepting coverage under the TLC HDHP Plan, You authorize any individual, association, or firm which has diagnosed or treated your condition to furnish the Plan

Administrator with necessary information, records, or copies of records. This authorization extends to any person or organization which has any information or records related to the service received or to the diagnosis and treatment of your condition.

If the Plan Administrator asks for information and does not receive it, payment cannot be made. The claim will be processed only when the requested information or record has been received and reviewed.

Medical information is often highly confidential. You are entitled to review or receive only copies of medical information which applies to You. But, subject to the above, a member may review copies of medical records which pertain to enrolled dependent children under age 18 as allowed by law.

4) The Personal Nature of These Benefits

Plan benefits are personal; that is, they are available only to You and your covered dependents. You may not assign (give to another person) your right to receive services or payment, except as provided in law. Prior payments to anyone will not constitute a waiver of or in any way restrict the Plan Administrator's right to direct future payments to You or any other individual or Facility, even if there has been an assignment of payment in the past. This paragraph will not apply to assignments made to dentists and oral surgeons.

You and the Plan Administrator agree that other individuals, organizations, and health care practitioners will not be beneficiaries of the payments provided under this contract. This explanation of services and payments available to You is not intended for anyone else's benefit. As such, no one else (except for your personal representative in case of your death or mental incapacity) may assert any rights described in this booklet or provided under Your Health Plan.

5) Proof of Loss

In many cases, the Facility or Provider will submit your claim to the Plan Administrator. However, the Plan Administrator cannot process claims for You unless there is satisfactory proof that the services You received are covered. In most cases, "satisfactory proof " is a fully itemized bill which gives your name, date of the service, cost of the service, and the diagnosis for the condition. In some cases, the Plan Administrator will need additional proof, such as medical information or explanations. Your cooperation may be requested. Your claim cannot be processed until the needed information is received. All claims information and explanations submitted to the Plan Administrator must be in writing.

6) Timely Filing of Claims

No claim (proof of loss) will be paid if the plan administrator receives it more than 12 months after the end of the calendar year in which the services were received.

7) Payment Errors

Every effort is made to process claims promptly and correctly. If payments are made to You, or on your behalf, and the Plan Administrator finds at a later date the payments were incorrect, the Plan Administrator will pay any underpayment. Likewise, You must repay any overpayment. A written notice will be sent to the member if repayment is required.

8) Group Benefits Administrator and Other Plan Information

Your Group Benefits Administrator is the person appointed by your employer to assist You with your health care benefits. Your Group Benefits Administrator may also provide You information about your benefits. If there is a conflict between what your Group Benefits Administrator tells You and Your Health Plan, your benefits will, to the extent permitted by law, be determined on the basis of the language in this booklet. The Group Benefits Administrator is never the agent of the Plan Administrator.

The Plan Administrator may send communications intended for You to your Group Benefits Administrator. You may be provided with another booklet, brochure, employee communication, or other material which describes the benefits available under Your Health Plan. In the event of conflict between this type of information and Your Health Plan, your benefits will be determined on the basis of the language in this booklet.

9) Health Insurance Portability and Accountability Act (HIPAA) of 1996 and Certificate of Creditable Coverage

In the event that You leave this health plan and go to a health plan that includes a pre-existing condition waiting period, You may be eligible for creditable coverage. The following list is considered creditable coverage and your new health plan may reduce the pre-existing condition waiting period by the amount of time, if any, You were covered by the following similar plans:

- Medicare, Medicaid, Tricare, a medical care program of the Indian Health Service Program or a tribal organization, a Health Benefit Plan under the Peace Corps Act, a state health benefits risk pool, or any other similar publicly-sponsored program;
- a group Health Benefit Plan;
- a health plan offered under Chapter 89 of Title 5, United States Code (5 U.S.C. Section 8901 et. Seq.);
- a public health plan (as defined in federal regulations);
- your current employer's eligibility waiting period;
- health insurance coverage consisting of benefits for medical care issued by an insurer, a health maintenance organization, a health service plan, or a fraternal benefit society;
or
- individual health insurance coverage.

If You should leave the TLC HDHP Plan, your Group Benefits Administrator will provide You with proof of prior coverage (certificate of coverage) for your new health plan.

10) Plan Administrator's Continuing Rights

On occasion, the Plan Administrator or the State may not insist on your strict performance of all terms of Your Health Plan. Failure to apply terms or conditions does not mean the Plan Administrator or the State waives or gives up any future rights it may have. The Plan Administrator or the State may later require strict performance of these terms or conditions.

11) Time Limits on Legal Actions and Limitation on Damages

No action at law or suit in equity may be brought against the Plan Administrator, the State, or the TLC HDHP Plan in any matter relating to (1) Your Health Plan, (2) the Plan Administrator's performance or the State's performance under Your Health Plan; or (3) any statements made by an employee, officer, or director of the Plan Administrator, the State, or the TLC HDHP Plan concerning Your Health Plan or the benefits available if the matter in dispute occurred more than one year ago.

In the event You or your representative sues the Plan Administrator, the State, the TLC HDHP Plan, or any director, officer, or employee of the Plan Administrator, the State, or the TLC HDHP Plan acting in a capacity as a director, officer, or employee, your damages will be limited to the amount of your claim for covered services. The damages will not exceed the amount of any claim not properly paid as of the time the lawsuit is filed. In no event will this contract be interpreted so that punitive or indirect damages, legal fees, or damages for emotional distress or mental anguish are available.

12) Services After Amendment of Your Health Plan

A change in Your Health Plan will change covered services available to You on the Effective Date of the change. This means that your coverage will change even though You are receiving covered services for an ongoing illness, injury, pregnancy-related condition, or if You may need more services or supplies in the future. There is only one exception. If You are an Inpatient on the day a change becomes effective, covered services your hospital provides You will not be changed for that admission. In this case, the change in your coverage will be effective immediately after your discharge for that admission.

13) Misrepresentation

A member's coverage can be canceled by the Plan Administrator, the State, or the TLC HDHP Plan if it finds that any information needed to accept the member or process a claim was deliberately misrepresented by, or with the knowledge of, the member. The Plan Administrator, the State, or the TLC HDHP Plan may also cancel coverage for any other family members enrolled with the member. When false or misleading information is discovered, the Plan Administrator, the State, or the TLC HDHP Plan may cancel coverage retroactive to the date of misrepresentation.

14) Non-Payment of Monthly Charges

If You are required to pay monthly charges to maintain coverage, and such charges are late, the Plan Administrator has the right to suspend payment of your claims. The Plan Administrator will not be responsible for claims for any period for which full monthly charges have not been paid. If your monthly charges remain unpaid 31 days from the date due, the State may instruct the Plan Administrator to cancel your coverage.

15) Death of a Member

Coverage will end for a dependent enrolled with the member if the member dies unless continuation of coverage is available and properly elected and maintained. Coverage for the dependent will end on the last day of the month in which the member's death occurs unless the local employer elects, in advance, a one month option for continued survivor coverage. If this option is elected, coverage for surviving dependents of a deceased member will continue until the end of the month following the date of the member's death. Full premium, with continued employer and dependent contribution, is required. Survivors must participate and no plan changes are permitted. The one month additional survivor benefit is a local employer option and must be elected annually by the local employer. The Local Choice Group will notify the Plan Administrator so that conversion privileges may be extended to the dependent. Refer to the Eligibility, Enrollment and Changes section of this booklet.

16) Divorce

Coverage will end for the enrolled spouse of a member on the last day of the month in which the final divorce decree is granted unless continuation of coverage is properly elected and maintained. Conversion privileges for the spouse will be extended if the spouse notifies the Plan Administrator of the divorce in writing within 31 days after the end of the

month in which the divorce is granted. Refer to the Eligibility, Enrollment and Changes section of this booklet.

17) End of Dependent Coverage

When a dependent is no longer eligible for coverage, the dependent must notify the Plan Administrator in writing that he/she wishes to continue coverage under another contract or certificate rather than through The Local Choice Health Benefits Program. Conversion privileges for the dependent will be extended if the Plan Administrator receives notice within 31 days after the end of the month in which the dependent ceased to be eligible for coverage under the State program. Refer to the Eligibility, Enrollment and Changes section of this booklet.

18) Women's Health and Cancer Rights

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1988 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- all stages of reconstruction of the breast on which the mastectomy was performed;
- surgery and the reconstruction of the other breast to produce a symmetrical appearance;
- prostheses; and
- treatment of physical complications of the mastectomy, including lymphedemas.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan. Your Health Plan is required to provide you with a notice of your rights under WHCRA when you enroll in the Health Plan, and then once each year.

DEFINITIONS

Throughout this booklet are words which begin with capital letters. In most cases, these are defined terms. This section gives You the meaning of most of these words.

Activities of Daily Living

Means walking, eating, drinking, dressing, toileting, transferring (e.g. wheelchair to bed), and bathing.

Acute Care

For Behavioral Health is Inpatient care in which the patient is in a facility 24 hours a day under the care and direction of an attending physician.

Adverse Benefit Determination

Is any denial, reduction of a benefit or failure to provide a benefit, in whole or in part, by Your Health Plan.

Allowable Charge

Means the amount on which the Deductible (if any) and Coinsurance for eligible services are calculated.

Behavioral Health

Is for the diagnosis and treatment of a psychiatric condition, including nervous, mental, and emotional disorders, including alcohol and drug abuse.

Coinsurance

Is the percentage of the Allowable Charge You pay for some covered services.

Covered persons

Are You and enrolled eligible dependents.

Deductible

Is a fixed dollar amount of certain covered services You pay in a Plan Year before Your Health Plan will pay for those remaining covered services during that Plan Year. The Allowable Charge amount for those covered services is applied to the Deductible. The Deductible amount is for a twelve month period and begins again each Plan Year.

A Plan Year Deductible applies to your Medical, Behavioral Health, and Outpatient Prescription Drug coverage. For individual plus one or family coverage, the entire Deductible must be met before the Plan pays for services for any one covered family member. This Deductible counts toward the Out-of-Pocket Expense Limit. There is a separate Plan Year Deductible for your Dental coverage.

Dental

Covered services for the care of your teeth and gums.

Effective Date

Is the date coverage begins for You and/or your dependents enrolled under Your Health Plan.

Emergency

Is the sudden onset of a medical condition that manifests itself by symptoms of sufficient severity. This includes severe pain that without immediate medical attention could reasonably be expected by a prudent lay person who possesses an average knowledge of health and medicine to result in:

- serious jeopardy to the mental or physical health of the individual;
- danger of serious impairment of the individual's bodily functions;
- serious dysfunction of any of the individual's bodily organs; or
- in the case of a pregnant woman, serious jeopardy to the health of the fetus.

Exclusions

This is a list of services which are not, under any circumstances, eligible for Reimbursement. See the Exclusions section.

Experimental/Investigative

Means any service or supply that is judged to be experimental or investigative at the Plan Administrators' sole discretion. Refer to Exhibit A for more information.

Extended Coverage (COBRA) Qualified Beneficiary

Is You or a covered dependent who is covered on the day before the qualifying event and loses coverage due to that event. A child born to or placed for adoption with the covered employee during Extended Coverage or a participant whose coverage was terminated in anticipation of a qualifying event is also a qualified beneficiary. Extended Coverage is only available to groups with 20 or more employees.

Facility

Covered facilities include:

- dialysis centers
- home health care agencies
- hospice Providers
- hospitals
- Skilled Nursing Facilities

Group Benefits Administrator

Is the person appointed by your employer to assist You with Your Health Plan. Your Group Benefits Administrator may also provide You information about your benefits. If there is a conflict between what your Group Benefits Administrator tells You and Your Health Plan itself, your benefits will, to the extent permitted by law, be determined on the basis of the language in this booklet. Anthem may send communications intended for You to the Group Benefits Administrator. You may be provided with brochures, employee communications, or other material that describes the benefits available under Your Health Plan. In the event of conflict between this type of information and Your Health Plan, your benefits will be determined on the basis of the language in this booklet.

High Dose Chemotherapy

Means a dose of chemotherapy or radiation so high that it predictably requires stem cell rescue.

Home Health Services

Are services rendered in the home Setting. Home Health care includes services such as skilled nursing Visits and physical, speech, and occupational therapy for patients confined to their homes. This also means home infusion services, which is therapy including such services as the intravenous and parenteral administration of medication to patients as well as enteral and parenteral nutrition. Home infusion therapy does not require that the patient is confined to his/her home.

Inpatient

Means when You are a bed patient in the hospital.

Inpatient Facilities

Are Settings where patients can spend the night, including hospitals, Skilled Nursing Facilities, and partial day programs.

Levels of Care

For Behavioral Health refers to the different types of treatment Settings available to patients such as Inpatient, partial, intensive Outpatient, and Outpatient care.

Maintenance Medications

Are those You take routinely to treat or control a chronic illness such as heart disease, high blood pressure, or diabetes.

Medical

Covered services for the screening, diagnosis and treatment of illness and disease.

Medical Equipment (durable)

Is used for a medical purpose, can withstand repeated use, and is appropriate for use in your home for daily living purposes.

Medically Necessary

To be considered Medically Necessary, a service must:

- be required to identify or treat an illness, injury, or pregnancy-related condition;
- be consistent with the symptoms or diagnosis and treatment of your condition;
- be in accordance with standards of generally accepted medical practice; and
- be the most suitable supply or level of service that can safely treat the condition and not be for the convenience of the patient, patient's family, or the Provider.

Other Covered Services

This includes services such as:

- ambulance services;
- medical supplies and equipment (including diabetic equipment, such as lancet devices and insulin pumps); and
- medical formulas.

Refer to the Other Covered Services section for a complete listing.

Out-of-Pocket Expense Limit

The amount of money that You pay out of your pocket for certain covered Medical, Behavioral Health and Outpatient Prescription Drug expenses (combined) during the Plan Year. Once any one covered member reaches the limit, almost all other covered expenses are paid in full (100% of the Allowable Charge) for the rest of the Plan Year for that person. Under family coverage (two or more persons), once the entire family limit is reached, the plan pays 100% of the Allowable Charge for almost all other covered expenses for all covered family members, even if no individual family member has reached the individual limit. The Out-of-Pocket Expense Limit is for a twelve month period and begins again each Plan Year.

Outpatient

Is when You receive care in a hospital Outpatient department, Emergency room, professional Provider's office, or your home.

Outpatient Behavioral Health Services

Are for the diagnosis and treatment of psychiatric conditions and include individual psychotherapy, group psychotherapy, and psychological testing.

Outpatient Prescription Drugs

Are medicines, including insulin, that require a prescription order from your doctor.

Partial Day Service

For Behavioral Health is intensive treatment in a medically supervised Setting with the opportunity for the patient to return home or to another residential Setting at night.

Plan Administrator

The third party administrator under contract with the Department of Human Resource Management to develop and administer Provider networks, process claims, provide customer service, and such other functions as are necessary to make health benefits available to employees. Your Health Plan benefits are administered by Anthem Blue Cross and Blue Shield.

Plan Year

The period for which benefits are administered, which is July 1 through June 30 (or October 1 through September 30 for certain school groups).

Post-Service Claims

Are all claims other than Pre-Service Claims and urgent care claims. Post-Service claims include claims filed after services are rendered and claims that do not require authorization in advance of the service, even where You request authorization in advance.

Preauthorization

For Behavioral Health is the process of referring You to an appropriate Provider and reviewing your treatment plan against medical necessity criteria. The process also includes referring You to an appropriate Provider for your condition.

Pre-service Claims

Are claims for a service where the terms of Your Health Plan require the member to obtain approval of the benefit, in whole or in part, in advance of receipt of the service. If You call to receive authorization for a service when authorization in advance is not required, that claim will be considered a Post-Service Claim.

Primary Care Physician (PCP)

Is a general or family practitioner, internist or pediatrician.

Providers (who may give care under Your Health Plan) include:

- audiologists
- certified nurse midwives
- chiropractors
- chiropodists
- clinical social workers, psychologists, clinical nurse specialists in psychiatric Behavioral Health, professional counselors, marriage and family therapists
- dentists
- doctors of medicine (MD), including osteopaths and other specialists
- independent clinical reference laboratories
- occupational therapists
- opticians
- optometrists
- podiatrists
- registered physical therapists
- speech pathologists

Reimbursement

Is the amount Your Health Plan pays for covered services.

Setting

Is the place where You receive treatment. It could be your home, your Provider's office, a hospital Outpatient department, a skilled nursing home, hospital Inpatient room, or a partial day program.

Skilled Nursing Facility

Is a facility licensed by the state in which it operates to provide medically skilled services to Inpatients.

Specialty Care Providers

Are any covered Providers other than those defined as Primary Care Physicians.

Stay

Is the period from the admission to the date of discharge from a facility. All hospital Stays less than 90 days apart are considered the same Stay.

Visit

A period during which a Covered Person meets with a Provider to receive covered services.

You

The enrolled member.

Your Health Plan

The TLC HDHP (High Deductible Health Plan).

ELIGIBILITY, ENROLLMENT AND CHANGES

Who Is Eligible for Coverage

Full-time, part-time, and other classifications of employees may be eligible to participate. The local employer defines the categories of employees eligible to enroll when they complete the employer application that is forwarded to the Department of Human Resource Management. For groups joining TLC after June 30, 2006, employees whether full-time or part-time, must work a minimum of 20 hours per week to be eligible for coverage. Groups currently participating in TLC will be allowed to continue their current practices. If part-time employees are covered, all part-time employees in the same classification must be treated similarly.

Your eligible dependents also may be covered. Retirees and survivors of retirees may also be eligible for coverage as described later in this section.

Members who cover ineligible persons may be removed from the program for a period of up to three years according to the regulations governing The Local Choice Health Benefits Program. In addition, the member will be responsible for claims paid in error and will be unable to reduce health benefits membership except within 31 days of the dependent's loss of eligibility, during open enrollment, or with another consistent qualifying mid-year event.

The Following Dependents are Eligible for Coverage Under Your Health Plan:

The Employee's Spouse

The marriage must be recognized as legal in the Commonwealth of Virginia.

The Employee's Children

Under the health benefits program, the following eligible children may be covered to the end of the year in which they turn age 23 regardless of student status (age requirement is waived for adult incapacitated children), if the child lives at home or is away at school, is not married and receives over one-half of his or her support from the employee.

Natural and Adopted Children: In the case of natural or adopted children, living at home may mean living with the other parent if the employee is divorced.

Also, if the biological parents are divorced the support test is met if a natural or adopted child receives over one-half of their support from either parent or a combination of support from both parents. However, in order for the non-custodial parent to cover the child, the non-custodial parent must be entitled to claim the child as a dependent on his federal income tax return, or the custodial parent must sign a written declaration that he or she will not claim the child as a dependent on their federal income tax return.

Stepchildren: Unmarried stepchildren living with the employee in a parent-child relationship. However, stepchildren may not be covered as a dependent unless their principal place of residence is with the employee, and the child is a member of the employee's household. A stepchild must receive over one-half of his or her support from the employee.

Incapacitated Children: Adult children who are incapacitated due to a physical or mental health condition, as long as the child was covered by Your Health Plan and the

incapacitation existed prior to the termination of coverage due to the child attaining the limiting age. The employee must make written application, along with proof of incapacitation, prior to the child reaching the limiting age. Such extension of coverage must be approved by Your Health Plan and is subject to periodic review. Should Your Health Plan find that the child no longer meets the criteria for coverage as an incapacitated child, the child's coverage will be terminated at the end of the month following notification from Your Health Plan to the enrollee.

Adult incapacitated children of new employees, may also be covered provided that:

The enrollment form is submitted within 31 days of hire;

The child has been covered continuously by group employer coverage since the disability first occurred; and

The disability commenced prior to the child attaining the limiting age of the Health Plan.

The enrollment form must be accompanied by a letter from a physician explaining the nature of the incapacitation, date of onset and certifying that the dependent is not capable of self-support. This extension of coverage must be approved by the Health Plan in which the employee is enrolled.

Incapacitated adult dependents that are enrolled in group employer coverage, or in Medicare or Medicaid, may be enrolled in the State Health Benefits Program with a consistent qualifying mid-year event (as defined by the Office of Health Benefits) if eligibility rules are met, required documentation is provided and the administrator for the plan in which the employee is enrolled approves the adult dependent's condition as incapacitating.

Eligibility rules require that the incapacitated dependent live at home, is not married and receives over one-half of his or her support from the employee.

Required documentation includes:

- Evidence that the dependent has been covered continuously by group employer coverage since the incapacitation first occurred;
- Proof that the incapacitation commenced prior to the dependent attaining the limiting age of the plan; and,
- An enrollment form adding the dependent within 31 days of the qualifying mid-year event accompanied by a letter from a physician explaining the nature of the incapacitation, date of onset and certifying that the dependent is not capable of self-support.

Other Children: A child in which a court has ordered the employee to assume sole permanent custody. The principal place of residence must be with the employee, and the child must be a member of the employee's household.

Additionally, if the employee or spouse shares custody with the minor child who is the parent of the "other child", then the other child may be covered. The other child, the parent of the other child, and the spouse who has custody must be living in the same household as the employee.

When a child loses eligibility, coverage terminates at the end of the month in which the event that causes the loss of eligibility occurs.

Who Is Not Eligible for Coverage

There are certain categories of persons who may not be covered as dependents under the program. These include:

- divorced spouses*
- parents
- grandparents
- aunts
- uncles
- dependent siblings**
- grandchildren**
- nieces**
- nephews**
- stepchildren unless both of these conditions are met:
 - 1) the stepchild lives with the member in a parent-child relationship, and
 - 2) the stepchild receives over one-half of his or her support from the employee dependent child after the end of the month in which the child marries
- children age 19 or older and not receiving over one-half of his or her support from the employee

* A court order to provide coverage for an ex-spouse does not make the ex-spouse eligible for coverage under Your Health Plan.

**The Department of Human Resource Management may determine when children who normally would not be eligible satisfy the criteria for "other children."

Retired Employees

The Local Choice Group may elect to offer coverage to retirees and their eligible dependents.

Non-Medicare eligible retirees may remain in the selected plan until reaching age 65 or eligibility for Medicare, whichever comes first. **Medicare eligible retirees and Medicare eligible dependents of retirees may not remain in the TLC HDHP Plan.**

A Medicare supplement Plan may be available to retirees upon enrollment in Medicare Parts A and B and D. TLC supplement plans do not cover Outpatient Prescription Drugs. Eligible dependents of a retiree may be covered under either plan based on their Medicare status.

Eligible dependent children of a retiree may be covered through the end of the year in which the child turns age 23 as long as the child is not self-supporting or married. Adult disabled children may be eligible for coverage based on TLC dependent eligibility guidelines.

The Local Employer must offer coverage for non-Medicare eligible retirees if a Medicare supplement plan is offered.

Surviving Dependents of Retired Employees

The Local Choice Group may also elect to offer coverage to survivors of deceased retirees, if retiree coverage is offered.

Health benefits for a covered surviving spouse and/or covered dependent children of a retired The Local Choice Group employee may be available through the Group's retiree health benefits program.

Coverage for the surviving spouse automatically terminates at remarriage; if alternate health insurance coverage is obtained; or when any applicable condition outlined in the policies and procedures of the Department of Human Resource Management causes termination.

Coverage for any surviving dependent children in this category automatically terminates at death; at the end of the year in which the child turns age 23 (unless eligible through disability); or if the child marries or becomes self-supporting. Loss of eligibility for a surviving spouse will result in the loss of eligibility for dependent children covered under the surviving spouse's membership.

Special rules apply for dependents of employees who are disabled or killed in the line of duty. See Your Group Benefits Administrator for more information.

Enrollment and Changes

There are only certain times when You may enroll yourself and eligible dependents in a health benefits plan, or change your type of membership or plan.

When Newly Eligible

You may enroll within 31 days of the date of hire or becoming eligible. Your health coverage is effective the first of the month after your enrollment form is received. If You are hired on the first working day of the month and the form is received that day, your coverage is effective the first of that month. A probationary period before the Effective Date may be applied if uniform for all employees.

Retirement

If the Local Employer offers Retiree coverage, retirees eligible for coverage in the Health Plan but not eligible for Medicare may elect to continue coverage under Your Health Plan if they enroll in the retiree group within 31 days of their retirement date. Eligible retirees who did not participate in this Health Plan as an active employee prior to retirement may enroll in single coverage at the time of retirement if they do so within 31 days of their retirement date. When a retiree becomes eligible for Medicare coverage, he or she must be terminated or changed to a Medicare Supplemental program.

Non-Medicare eligible retiree group participants may make membership and/or Health Plan changes upon the occurrence of a qualifying mid-year event and Plan and/or membership changes at Open Enrollment. Retiree group participants may reduce their membership level at any time, and the Effective Date will be the first day of the month after the notification is received by their Group Benefits Administrator. However, retirees who cancel their coverage may not return to the program.

During Open Enrollment

Health benefits Open Enrollment usually occurs in the spring for active employees and retirees who are not eligible for Medicare (certain school groups may elect a fall Open Enrollment period). Open Enrollment is your opportunity to make changes to your Health Benefits Plan and/or type of membership. The benefits and premiums associated with your Open Enrollment selections will be effective July 1 through June 30 of the following Plan Year (or October 1 through September 30 for certain school groups).

Other Changes Outside of Open Enrollment

You may make membership and plan changes during the Plan Year that are based on qualifying mid-year events. You must submit your change within 31 days of the event. The change will be effective the first of the month after the date the election change is received. If notice is received the first day of the month, the change is effective that day. Other exceptions are birth, adoption, placement for adoption (changes take effect the first of the month in which the event occurs) and termination of ineligible members (changes are effective the last day of the month in which the member loses eligibility).

Qualifying Mid-Year Events

The following events permit a change outside open enrollment. You may change a benefit election when a valid qualifying mid-year event occurs, but only if your change is made on account of, and corresponds with, a qualifying mid-year event that affects your own, your spouse's or your dependent's eligibility for coverage. You may change Your Health Plan or membership during the year if You apply to do so within 31 days of the event. If You have questions about these events, contact your Group Benefits Administrator.

- Birth or Adoption
- Child Covered under You Health Plan Lost Eligibility
- Death of Child
- Death of Spouse
- Dependent Care Cost or Coverage Change
- Divorce
- Employment Change – Full-time to Part-time
- Employment Change – Part-time to Full-time
- Employment Change – Unpaid Leave of Absence
- Gained Eligibility under Medicare or Medicaid
- HIPAA Special Enrollment
- Judgment, Decree, or Order to Add Child
- Judgment, Decree, or Order to Remove Child
- Lost Eligibility under Governmental Plan
- Lost Eligibility under Medicare or Medicaid
- Marriage
- Move Affecting Eligibility for Health Care Plan
- Other Employer's Open Enrollment or Plan Change
- Spouse or Child Gained Eligibility under Their Employer's Plan
- Spouse or Child Lost Eligibility under Their Employer's Plan

After Coverage Ends

Coverage ends on the last day of the month during which eligibility ceases. Unless otherwise agreed to in writing by the Local Choice Health Benefits Program, Department of Human Resource Management, the Covered Person's coverage ends on the last day of the month for which full payment is made. When a Covered Person ceases to be eligible or the required premiums are not paid, the Covered Person's coverage will end.

Examples of when a Covered Person's eligibility may cease include:

when You leave your job with the employer, or change from full-time to part-time employment; (Note: Employees changing from full-time to part-time employment remain eligible if the employer offers part-time coverage)
when a dependent child becomes self-supporting or marries;
when a dependent child reaches the end of the year in which the child turns 23;
in the case of a handicapped dependent, when the child is no longer handicapped; or
in the case of your spouse, when You and your spouse divorce.

There are two exceptions. If You are an Inpatient the day your coverage ends, your hospital coverage will continue until You are discharged to the extent that services were covered prior to the end of coverage. Also, Other Covered Services such as rental of Medical Equipment (durable), will be provided for a limited time for a condition for which You received covered services before your coverage ended. The time will be the shorter of when You become covered under any other group coverage, or the end of the Plan Year your coverage ends, or a period equal to the time You were enrolled under Your Health Plan.

When You Become Eligible for Medicare

You may remain enrolled under Your Group Health Plan as long as You continue working and your employer offers Medicare eligible retiree coverage. See your Group Benefits Administrator for more information. If You want to enroll under Medicare, You must make your own arrangements. Contact the nearest Social Security Office when You or a family member becomes eligible for Medicare (usually at age 65).

If retiree coverage is offered by your employer participating retirees, survivors and their dependents who become eligible for Medicare, whether due to age or disability, and wish to continue participation in the TLC Health Benefits Program, must immediately enroll in one of the program's Medicare-coordinating plans if available. To ensure access to supplemental benefits, they must enroll in Medicare Parts A and B immediately upon eligibility. Failure to enroll in Parts A and B may result in coverage deficits since the program's Medicare-coordinating plans will not pay any part of a claim that would have been covered by Medicare had the participant been properly enrolled in Medicare. If it is determined that a retiree group participant is eligible for Medicare but has continued coverage in a non-Medicare plan, primary claim payments made in error may be retracted. TLC Medicare supplemental plans do not cover outpatient prescription drugs. Advantage 65 or Medicare Complementary participants should obtain Medicare D on their own.

When the Member Dies

Coverage will end for a dependent enrolled with the member if the member dies unless continuation of coverage is properly elected and maintained pursuant to paragraph 9) in the Basic Plan Provisions section. Coverage for the dependent will end on the last day of the month in which the member's death occurs unless the local employer elects, in advance, a one month option for continued survivor coverage. If this option is elected, coverage for surviving dependents of a deceased member will continue until the end of the month following the date of the member's death. Full premium, with continued employer and dependent contribution, is required. Survivors must participate and no plan changes are permitted. The one month additional survivor benefit is a local employer option and must be elected annually by the local employer. The Local Choice Group will notify the Plan Administrator so that conversion privileges may be extended to the dependent.

Participating survivors who become eligible for Medicare must enroll in a Medicare-coordinating plan.

Continuing Coverage When Eligibility Ends

You and your dependents (including children under their own names) may be eligible for the following:

- Extended Coverage under the Public Health Service Act (see the General Notice of Extended Coverage Rights); or
- Individual coverage. You may contact Anthem Personal Health Care at **800-334-7676** to inquire about individual coverage. You must replace your coverage within 31 days of the day it ends in order to avoid a lapse in coverage.

General Notice of Extended Coverage Rights

This notice generally explains Extended Coverage, when it may become available to You and your family, and what You need to do to protect the right to receive it. Only employers with 20 or more employees may offer Extended Coverage.

The right to Extended Coverage was created for private employers by federal law through the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), and these rights are reflected in the continuation coverage provisions of the Public Health Service Act which covers employees of state and local governments. Extended Coverage can become available to You when You would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under Your Health Plan when they would otherwise lose their group health coverage.

For additional information about your rights and obligations under Your Health Plan and under the law, You should contact your designated Group Benefits Administrator.

What Is Extended Coverage?

Extended Coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a “qualifying event.” Specific qualifying events are listed later in this notice. After a qualifying event, Extended Coverage must be offered to each person who is a “qualified beneficiary.” You, your spouse and your dependent children could become qualified beneficiaries if coverage under Your Health Plan is lost because of the qualifying event. These rights are also available to children covered through a Qualified Medical Child Support Order (QMCSO). Under Your Health Plan, qualified beneficiaries who elect Extended Coverage must pay the full cost for Extended Coverage. Time limitations for making Extended Coverage premium payments will be included in the Election Notice provided at the time of the qualifying event.

If You are an employee, You will become a qualified beneficiary if You lose your coverage under Your Health Plan because of either one of the following qualifying events:

- your hours of employment are reduced. This would include periods of leave without pay (even if the employer premium contribution continues for a designated period of time that runs concurrently with Extended Coverage) and any reduction of hours resulting in loss of coverage and/or loss of or change in the terms and conditions of the employer contribution toward the cost of coverage.
- your employment ends for any reason other than your gross misconduct.

If You are the spouse of an employee or retiree group member, You will become a qualified beneficiary if You lose your coverage under Your Health Plan because of any one of the following qualifying events:

- your spouse dies;
- your spouse's hours of employment are reduced (including periods of leave without pay, even if the employer premium contribution continues for a designated period of time that runs concurrently with Extended Coverage, and any reduction of hours resulting in loss of coverage and/or loss of or change in the terms and conditions of the employer contribution toward the cost of coverage);
- your spouse's employment ends for any reason other than his or her gross misconduct;
- you become divorced from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under Your Health Plan because of any one of the following qualifying events:

- the parent/employee/retiree dies;
- the parent's/employee's hours of employment are reduced (including periods of leave without pay, even if the employer premium contribution continues for a designated period of time that runs concurrently with Extended Coverage, and any reduction of hours resulting in loss of coverage and/or loss of or change in the terms and conditions of the employer contribution toward the cost of coverage);
- the parent's/employee's employment ends for any reason other than his or her gross misconduct;
- the parents become divorced, resulting in loss of dependent eligibility;
- the child stops being eligible for coverage as a dependent child under Your Health Plan.

Coverage that is terminated in anticipation of a qualifying event (e.g., divorce) is disregarded when determining whether the event results in a loss of coverage. If termination occurs under this condition but notification of the qualifying event is received from the employee, qualified beneficiary or a representative within 60 days of the date coverage would have been lost due to the qualifying event, Extended Coverage must be made available and effective on the date coverage would have been lost due to the event, but not before.

When Is Extended Coverage Available?

Your Benefits Administrator will automatically offer Extended Coverage to qualified beneficiaries upon the occurrence of the following qualifying events:

- termination of employment;
- reduction in hours of employment resulting in loss of coverage and/or loss of or change in the terms and conditions of the employer contribution toward the cost of coverage, including leaves without pay;
- death of the employee.

You Must Give Notice of Some Qualifying Events

For the other qualifying events (divorce of the employee and spouse or a dependent child's loss of eligibility for coverage as a dependent child), You or your representative must notify your Benefits Administrator within 60 days of the qualifying event (or within 60 days of the date coverage would be lost due to the qualifying event) by submitting written notification to include the following information:

- the type of qualifying event (e.g., divorce, loss of dependent child's eligibility--including reason for the loss of eligibility);

- the name of the affected qualified beneficiary (e.g., spouse's and/or dependent child's name/s);
- the date of the qualifying event;
- documentation to support the occurrence of the qualifying event (e.g., final divorce decree, dependent child's marriage certificate);
- the written signature of the notifying party;
- if the address of record is incorrect, an address for mailing the Election Notice.

Failure to provide timely notice of these qualifying events will result in loss of eligibility for continuation coverage. One notice will cover all affected qualified beneficiaries. Notice will be considered furnished when mailed or, in the case of hand delivery, the date it is received by your Benefits Administrator.

How Is Extended Coverage Provided?

Once your Group Benefits Administrator becomes aware or is notified that the qualifying event has occurred, Extended Coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect Extended Coverage. Covered employees may elect Extended Coverage on behalf of an eligible spouse, and parents may elect Extended Coverage on behalf of their eligible children.

Extended Coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee/retiree, your divorce, or a dependent child's loss of eligibility as a dependent child, Extended Coverage lasts for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, Extended Coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare eight months before his coverage ends due to termination of employment, Extended Coverage for his covered spouse and/or children can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date that coverage was lost due to termination of employment (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of employee's hours of employment, Extended Coverage may last for only up to a total of 18 months. There are two ways in which this 18-month period can be extended.

1) Disability extension of 18-month period of continuation coverage

You and anyone in your family covered under the Extended Coverage provisions of Your Health Plan (due to termination of employment or reduction of hours) may be entitled to receive up to an additional 11 months of continuation coverage if it is determined by the Social Security Administration that any covered family member is disabled at some time during the first 60 days of continuation coverage, and the disability lasts at least until the end of the 18-month initial period of continuation coverage. The Group Benefits Administrator must receive notification of the disability determination within 60 days of either 1.) the date of the disability determination; 2.) the date of the qualifying event; 3.) the date on which coverage would be lost due to the qualifying event; or, 4.) the date on which the qualified beneficiary is informed of the obligation to provide the disability notice (e.g., through this General Notice), AND within the first 18 months of Extended Coverage. Notification must be presented in writing and include the following information:

- the name of the disabled qualified beneficiary;
- the date of the determination;

documentation from the Social Security Administration to support the determination;
the written signature of the notifying party (qualified beneficiary or representative);
if the address of record is incorrect, a correct mailing address.

2) Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving 18 months of Extended Coverage, the spouse and dependent children in your family can get up to 18 additional months of continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given (in the format and time frame specified below) to the Group Benefits Administrator. The extension may be available to the spouse and any dependent children receiving continuation coverage if the employee/former employee dies, the employee/former employee becomes divorced from the covered spouse, or the covered dependent child ceases to be eligible under Your Health Plan, but only if the event would have caused the spouse or dependent child to lose coverage under Your Health Plan had the first qualifying event not occurred. Written notification must be given within 60 days of the date coverage would have been lost due to the second qualifying event and should include the following information:

- the type of second qualifying event (e.g., divorce, loss of dependent eligibility);
- the name of the affected qualified beneficiary (e.g., spouse and/or dependent child);
- the date of the second qualifying event;
- documentation to support the occurrence of the second qualifying event (e.g., final divorce decree, dependent child's marriage certificate, proof of child's self-support);
- the written signature of the notifying party;
- if the address of record is incorrect, a correct mailing address.

Failure to furnish timely and complete notification of the second qualifying event or disability determination will result in loss of additional Extended Coverage eligibility. Notice will be considered furnished when mailed or, in the case of hand delivery, the date it is received by your Group Benefits Administrator.

Separate guidelines apply to continuation coverage under the provisions of the Uniform Services Employment and Re-employment Rights Act of 1994 (USERRA). If these provisions apply to you, see your Group Benefits Administrator for more information.

If You Have Questions

Questions concerning Your Health Plan or your Extended Coverage rights should be addressed to the contact listed under "Plan contact information."

Keep your Group Benefits Administrator Informed of Address Changes

In order to protect your family's rights, You should keep your Group Benefits Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices You send to your Group Benefits Administrator or the Office of Health Benefits Extended Coverage Administrator.

Plan Contact Information

For information about Extended Coverage, initial notification of qualifying events, and initial enrollment, contact your agency Group Benefits Administrator. To make changes to Extended Coverage after initial enrollment, contact your Group Benefits Administrator.

Health Insurance Portability and Accountability Act (HIPAA)

Certificate of Group Health Plan Coverage

Date of this certificate: _____

Name of member: _____

Name of health care plan: _____

Member's identification number: _____

Membership level (Single, Employee + One, Family): _____

Name of individuals to whom this certificate applies: _____

Was the period of creditable coverage more than 18 months? (disregard periods of coverage before a 63-day break.) (Yes/No): _____

If less than 18 months, date coverage began: _____

Date coverage ended: _____

Date waiting period began: Not applicable

Person preparing this certificate and to whom questions should be addressed:

Name: _____

Address: _____

Telephone number: _____

Email address: _____

Agency: _____

Note: Separate certificates will be furnished if information is not identical for the member and each beneficiary.

Statement of HIPAA Portability Rights

This certificate is evidence of your coverage under the plan. You may need evidence of coverage to reduce a pre-existing condition exclusion period under another plan, to help You get special enrollment in another plan, or to get certain types of individual health coverage even if You have health problems. This certificate, as required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA), is furnished to everyone leaving The Local Choice Health Benefits Program or The Local Choice Retiree Health Benefits Program (except for Medicare Supplement Plans). You may obtain additional certificates for You or your covered family members from your Group Benefits Administrator should You need them during the 24 months following your termination from the plan.

Pre-Existing Condition Exclusions

Some group health plans restrict coverage for medical conditions present before an individual's enrollment. These restrictions are known as "pre-existing condition exclusions." A pre-existing condition exclusion can apply only to conditions for which medical advice, diagnosis, care, or treatment was recommended or received within the 6 months before your "enrollment date." Your enrollment date is your first day of coverage under the plan, or if there is a waiting period, the first day of your waiting period (typically, your first day of work). In addition, a pre-existing condition exclusion cannot last for more than 12 months after your enrollment date (18 months if You are a late enrollee). Finally, a pre-existing condition exclusion cannot apply to pregnancy and cannot apply to a child who is enrolled in health coverage within 30 days after birth, adoption, or placement for adoption.

If a plan imposes a pre-existing condition exclusion, the length of the exclusion must be reduced by the amount of your prior creditable coverage. Most health coverage is creditable coverage, including group health plan coverage, Extended Coverage (COBRA), coverage under an individual health policy, Medicare, Medicaid, State Children's Health Insurance Program (SCHIP), and coverage through high-risk pools and the Peace Corps. Not all forms of creditable coverage are required to provide certificates like this one. If You do not receive a certificate for past coverage, talk with your new Plan Administrator.

You can add up any creditable coverage You have, including the coverage shown on this certificate. However, if at any time You went for 63 days or more without any coverage (called a break in coverage) a plan may not have to count the coverage You had before the break.

Therefore, once your coverage ends, You should try to obtain alternative coverage as soon as possible to avoid a 63-day break. You may use this certificate as evidence of your creditable coverage to reduce the length of any pre-existing condition exclusion if You enroll in another plan.

Right to Get Special Enrollment in Another Plan

Under HIPAA, if You lose your group health plan coverage, You may be able to get into another group health plan for which You are eligible (such as a spouse's plan), even if the plan generally does not accept late enrollees, if You request enrollment within 30 days. (Additionally, special enrollment rights are triggered by marriage, birth, adoption, and placement for adoption.)

Therefore, once your coverage ends, if You are eligible for coverage in another plan (such as a spouse's plan), You should request special enrollment as soon as possible.

Prohibition Against Discrimination Based on a Health Factor

Under HIPAA, a group health plan may not keep You (or your dependents) out of the plan based on anything related to your health. Also, a group health plan may not charge You (or your dependents) more for coverage, based on health, than the amount charged a similarly situated individual.

Rights to Individual Health Coverage

Under HIPAA, if You are an “eligible individual,” You have a right to buy certain individual health policies (or in some states, to buy coverage through a high-risk pool) without a pre-existing condition exclusion. To be an eligible individual, You must meet the following requirements:

You have had coverage for at least 18 months without a break in coverage of 63 days or more;

Your most recent coverage was under a group health plan (which can be shown by this certificate);

Your group coverage was not terminated because of fraud or nonpayment of premiums;

You are not eligible for Extended Coverage (COBRA) or You have exhausted your Extended Coverage (COBRA) benefits; and

You are not eligible for another group health plan, Medicare, or Medicaid, and do not have any other health insurance coverage.

The right to buy individual coverage is the same whether You are laid off, fired, or quit your job.

Therefore, if You are interested in obtaining individual coverage and You meet the other criteria to be an eligible individual, You should apply for this coverage as soon as possible to avoid losing your eligible individual status due to a 63-day break.

For More Information

If You have questions, You may contact the person who prepared this certificate (contact information included). You may also contact the U.S. Department of Labor, Employee Benefits Security Administration (EBSA) toll-free at **866-444-3272** (for free HIPAA publications ask for publications concerning changes in health care laws) or the CMS publications hotline at **800-633-4227** (ask for “Protecting Your Health Insurance Coverage”). These publications and other useful information are also available on the Internet at www.dol.gov/ebsa, the U.S. Department of Labor’s interactive web pages – Health Elaws, or www.cms.hhs.gov/hipaa.

Request for Certificate of Group Health Plan Coverage

Use this form to request a Certificate of Group Health Plan Coverage from your Group Benefits Administrator. You may obtain additional certificates for You or your covered family members upon request while You are covered by the plan and during the 24 months following your termination from the plan.

Date of request: _____

Name of member: _____

Address: _____

Telephone number: _____

Email address: _____

Name and relationship of any dependents for whom certificates are requested (and their address if different from above:

HIPAA Privacy Practices

Disclosure of Protected Health Information (PHI) to the Employer

(1) Definitions. Whenever used in this Article, the following terms shall have the respective meanings set forth below.

- (a) Plan - means the "The Local Choice Health Benefits Program."
- (b) Employer - means the "the local employer who participates in The Local Choice Health Benefits Program."
- (c) Plan Administration Functions - means administrative functions performed by the Employer on behalf of the Plan, excluding functions performed by the Employer in connection with any other benefit or benefit plan of the Employer.
- (d) Health Information - means information (whether oral or recorded in any form or medium) that is created or received by a health care Provider, health plan (as defined by the Health Insurance Portability and Accountability Act of 1996, subsequently referred to as HIPAA, in 45 CFR Section 160.103), employer, life insurer, school or university, or health care clearinghouse (as defined by HIPAA in 45 CFR Section 160.103) that relates to the past, present, or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.
- (e) Individually Identifiable Health Information - means Health Information, including demographic information, collected from an individual and created or received by a health care Provider, health plan, employer, or health care clearinghouse that identifies the individual involved or with respect to which there is a reasonable basis to believe the information may be used to identify the individual involved.
- (f) Summary Health Information - means information that summarizes the claims history, expenses, or types of claims by individuals for whom the Employer provides benefits under the Plan, and from which the following information has been removed: (1) names; (2) geographic information more specific than state; (3) all elements of dates relating to the individual(s) involved (e.g., birth date) or their medical treatment (e.g., admission date) except the year; all ages for those over age 89 and all elements of dates, including the year, indicative of such age (except that ages and elements may be aggregated into a single category of age 90 and older); (4) other identifying numbers, such as Social Security, telephone, fax, or medical record numbers, e-mail addresses, VIN, or serial numbers; (5) facial photographs or biometric identifiers (e.g., finger prints); and (6) any information the Employer does not have knowledge of that could be used alone or in combination with other information to identify an individual.
- (g) Protected Health Information ("PHI") means Individually Identifiable Health Information that is transmitted or maintained electronically, or any other form or medium.

(2) The Plan, and the agents acting on its behalf, may disclose Summary Health Information to the Employer if the Employer requests such information for the purpose of obtaining premium bids for providing health insurance coverage under the Plan or for modifying, amending, or terminating the Plan.

(3) The Plan, and the agents acting on its behalf, will disclose PHI to the Employer only in accordance with HIPAA in 45 CFR Section 164.504(f) and the provisions of this Section.

(4) The Plan hereby incorporates the following provisions (a) through (j) to enable it to disclose PHI to the Employer and acknowledges receipt of written certification from the Employer that the Plan has been so amended. Additionally, the Employer agrees:

- (a) not to use or further disclose PHI other than as permitted in Section (4) or as required by law;
 - (b) to ensure that any of its agents or subcontractors to whom it provides PHI received from the Plan agree to the same restrictions and conditions;
 - (c) not to use or disclose PHI for employment-related actions or in connection with any other benefit or employee benefit plan;
 - (d) to report to the Plan any use or disclosure of the information that is inconsistent with the permitted uses and disclosures in Section (4);
 - (e) to make PHI available to individuals in accordance with HIPAA in 45 CFR Section 164.524;
 - (f) to make PHI available for individuals' amendment and incorporate any amendments in accordance with HIPAA in 45 CFR Section 164.526;
 - (g) to make the information available that will provide individuals with an accounting of disclosures in accordance with HIPAA in 45 CFR Section 164.528;
 - (h) to make its internal practices, books, and records relating to the use and disclosure of PHI received from the Plan and its agents available to the Department of Health and Human Services upon request; and
 - (i) if feasible, to return or destroy all PHI received from the Plan that the Employer maintains in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, the Employer will limit further its uses and disclosures of the PHI to those purposes that make the return or destruction of the information infeasible.
 - (j) to ensure that adequate separation between the Plan and the Employer, as required by HIPAA in 45 CFR Section 164.504(f), is established and maintained.
- (5) The Plan will disclose PHI only to the following employees or classes of employees:
- Director, Department of Human Resource Management
 - Director of Finance, Department of Human Resource Management
 - Staff Members, Office of Health Benefits

Access to and use of PHI by the individuals described above shall be restricted to Plan Administration Functions that the Employer performs for the Plan. Such access or use shall be permitted only to the extent necessary for these individuals to perform their respective duties for the Plan.

(6) Instances of noncompliance with the permitted uses or disclosures of PHI set forth in this Section by individuals described in Section (5) shall be considered "failure to comply with established written policy" (a Group II offense) and must be addressed under the Commonwealth of Virginia's Policy 1.60, Standards of Conduct Policy. The appropriate level of disciplinary action will be determined on a case-by-case basis by the agency head or designee, with sanctions up to or including termination depending on the severity of the offense, consistent with Policy 1.60.

(7) A health insurance issuer, HMO or third party administrator providing services to the Plan is not permitted to disclose PHI to the Employer except as would be permitted by the Plan in this Article and only if a notice is maintained and provided as required by HIPAA in 45 CFR Section 164.520.

Important Notice from The Local Choice (TLC) Health Benefits Program About Your Prescription Drug Coverage and Medicare

If you are an active employee of a The Local Choice Employer who is covered under this plan, and You and/or any of your covered dependents are also eligible for Medicare, please read the following information carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the The Local Choice Health Benefits Program and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. Information about where you can get help in making decisions about your prescription drug coverage is at the end of this notice.

Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.

The Local Choice Health Benefits Program has determined that the prescription drug coverage offered by the TLC HDHP Plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is considered Creditable Coverage.

Because your existing coverage is, on average, at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

You can join a Medicare drug plan when you first become eligible for Medicare and each year from November 15th through December 31st. This may mean that you have to wait to join a Medicare drug plan and that you may pay a higher premium (a penalty) if you join later and do not have creditable coverage for 63 or more days. You may pay that higher premium (a penalty) as long as you have Medicare prescription drug coverage. However, if you lose creditable prescription drug coverage through no fault of your own, you will be eligible for a sixty (60) day Special Enrollment Period (SEP) to join a Medicare drug plan (a Part D plan). In addition, if you lose or decide to leave employer or union-sponsored coverage, you will be eligible to join a Part D plan at that time using an Employer Group Special Enrollment Period. You should compare your current coverage under the TLC Health Benefits Program, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area to determine the plan that is best for you.

If you decide to join a Medicare drug plan, your TLC coverage based on active employment (yours or your spouse's) will generally not be affected. See below for more information about what happens to your current coverage if you join a Medicare drug plan.

If you do decide to join a Medicare drug plan and drop your TLC coverage as an active employee or dependent of an active employee (based on the policies and procedures of TLC, the Department of Human Resource Management and applicable law), be aware that you and/or your dependent(s) will not be able to return to this coverage except with the occurrence of a consistent qualifying midyear event or at open enrollment. The TLC Health Benefits Program does not offer a medical plan to active employees that excludes prescription drug coverage. Consequently, you must either maintain full coverage under an available TLC plan (including prescription drug coverage) or terminate coverage completely. You do not have the option of terminating only the prescription drug benefit under your TLC plan. Your Group

Benefits Administrator can provide additional information about making plan/membership changes or terminating coverage.

At the time an Enrollee and/or covered dependent becomes eligible for Medicare, he/she may keep his/her TLC plan coverage based on current/active employment or may terminate coverage under TLC Health Benefits Program based on that event if termination is requested within 31 days of eligibility for Medicare. However, once coverage has been terminated, neither the employee nor the dependent may re-enroll in the TLC program except upon the occurrence of a consistent qualifying midyear event (for example, loss of eligibility for Medicare) or at open enrollment. An eligible dependent may not enroll unless the employee is enrolled. If an active employee or the covered dependent of an active employee has both the TLC program's coverage and Medicare, except in limited circumstances, the TLC plan coverage will be primary and Medicare will be secondary.

You should also know that if you drop or lose your coverage with the TLC Health Benefits Program for active employees and their eligible dependents and don't join a Medicare drug plan before 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium may go up by at least 1% of the base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without coverage, your premium may consistently be at least 19% higher than the base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to join a plan, and coverage will generally not begin until the following January.

For more information about this notice or to obtain a personalized notice, contact your Group Benefits Administrator. For more information about your current prescription drug coverage, consult the appropriate section of this Member Handbook or your drug plan's customer service department.

NOTE: You will get this notice prior to the Medicare Part D annual enrollment period each year that you participate in the TLC Health Benefits Program for active employees and are eligible for Medicare (or cover a dependent who is eligible for Medicare). You will also receive a notice if prescription drug coverage is no longer offered under your TLC plan, or your coverage ceases to be creditable. You may also request a copy at any time.

[For more information about your options under Medicare prescription drug coverage](#)

More detailed information about Medicare plans that offer prescription drug coverage is in the "*Medicare & You*" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

Visit www.medicare.gov.

Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "*Medicare & You*" handbook for the telephone number) for personalized help.

Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For more information, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and whether or not you are required to pay a higher premium (a penalty).

Exhibit A

Experimental/Investigative Criteria

Experimental/Investigative means any service or supply that is judged to be Experimental or Investigative at the Plan Administrator's sole discretion. Services which do not meet each of the following criteria will be excluded from coverage as Experimental/Investigative:

1. Any supply or drug used must have received final approval to market by the U.S. Food and Drug Administration ("FDA") for the particular indication or application in question. Moreover, quantities of any drug or medication used must be within recommended maximum daily dose or duration established by the FDA or any of the standard reference compendia defined below. There are two exceptions which apply when a drug has received final approval to market by the FDA, but not for the particular indication or application in question.
 - a) This criterion will be satisfied if the use of the drug is recognized for treatment of the indication or application in any of the following resources:
the following three standard reference compendia defined below:
 - 1) the U.S. Pharmacopoeia Dispensing Information
 - 2) the American Medical Association Drug Evaluations
 - 3) the American Hospital Formulary Service Drug Informationin substantially accepted peer-reviewed medical literature. Peer-reviewed medical literature means a scientific study published only after having been critically reviewed for scientific accuracy, validity, and reliability by unbiased independent experts. This study must appear in a journal that has been determined by the International Committee of Medical Journal Editors to have met the Uniform Requirements for Manuscripts submitted to biomedical journals. Peer-reviewed medical literature does not include publications or supplements to publications that are sponsored to a significant extent by a pharmaceutical manufacturing company or health carrier; or
 - b) In the case where the drug is being used for the treatment of a specific type of cancer, this criterion will be satisfied if the use of the drug is recognized as safe and effective for treatment of the specific type of cancer in any of the standard reference compendia.
Despite the above two exceptions, this criterion will not be satisfied if the FDA has determined that use of the drug is not recommended for the treatment of the specific indication for which it is prescribed.
2. There must be enough information in the peer-reviewed medical and scientific literature to let the Plan Administrator judge the safety and efficacy.
3. The available scientific evidence must show a good effect on health outcomes outside a research Setting.
4. The service or supply must be as safe and effective outside a research Setting as current diagnostic or therapeutic options.

New technologies are evaluated against these criteria to determine if services should be included as a covered benefit or considered Experimental/Investigative.

Clinical Trial Costs

Clinical trial cost means patient costs incurred during participation in a clinical trial when such a trial is conducted to study the effectiveness of a particular treatment of cancer where all of the following circumstances exist:

- 1) The treatment is being conducted in a Phase II, Phase III, or Phase IV clinical trial;
- 2) Treatment provided by a clinical trial is approved by:
 - The National Cancer Institute (NCI);
 - An NCI cooperative group or an NCI center;
 - The U.S. Food and Drug Administration in the form of an investigational new drug application;
 - The Federal Department of Veterans Affairs; or
 - An institutional review board of an institution in the Commonwealth that has a multiple project assurance contract approved by the Office of Protection from Research Risks of the NCI;
- 3) With respect to the treatment provided by a clinical trial:
 - There is no clearly superior, non-investigational treatment alternative;
 - The available clinical or preclinical data provides a reasonable expectation that the treatment will be at least as effective as the non-investigational alternative;
 - and
 - The Covered person and the physician or health care Provider who provides the services to the Covered Person conclude that the Covered Person's participation in the clinical trial would be appropriate; and
- 4) The facility and personnel providing the treatment are capable of doing so by virtue of their experience, training, and expertise.

"Patient cost" under this paragraph means the cost of a Medically Necessary health care service that is incurred as a result of the treatment being provided to the Covered Person for purposes of a clinical trial. "Patient cost" does not include (i) the cost of non-health care services that a patient may be required to receive as a result of the treatment being provided for purposes of a clinical trial, (ii) costs associated with managing the research associated with the clinical trial, or (iii) the cost of the investigational drug or device.

Index

A

Acupuncture, exclusion - 55
Allowable Charge (AC), 3, definition - 68
Alternative Benefits, 11
Ambulance Services, 5, 20, 25, 47, 48
Anesthesia Services, 18, 28, 43, 45, 56
Appeals, 11
Assignment of Benefits, 64
Asthma, 53

B

Basic Plan Provisions, 63
Behavioral Health services, 5, 18,
23, 28, 50, exclusion - 55

C

Cancer, Clinical Trial Costs, 94
Cancer Rights, 67
Case Management, 50
Chemotherapy, 35, 78
Claims, Timely Filing, 64
Clinical Trial Costs, 93, exclusion - 57,
Coinsurance, 3, definition - 68
Colonoscopy, 18, 31
Colorectal Cancer Screening, 9, 31
CommonHealth Wellness Program, 53
ConditionCare, 53
Continuation of Coverage, 77, 79
Contraceptives, 28, 38
Coordination of Benefits, 15
Coronary Artery Disease, 53
Cosmetic Surgery, exclusion - 56
Covered Person, 3 definition - 68
Creditable Coverage, 65; certificate, 84,
request form, 87

D

Death of a Member, 66
Deductible, 3, definition - 68
Definitions, 68
Dental Services, 6, 43, exclusion - 56
Department of Human Resource
Management, 2, 14, 63
Dependents, 73
Diabetes, 6, 7, 28, 38, 48, 53
Diagnostic Tests, 6, 7, 8, 28
Dialysis Treatments, 6, 18

Digital Rectal Exam, 9, 31
Doctor's Visits, 6

E

Early Intervention Services, 6, 37
Effective Date, 10, definition - 77
Eligibility, 73
Emergency, 6, 18, definition - 69
Employee Assistance Program (EAP), 5, 24
Enrollment, 76
Exclusions, 3, 55
Experimental/Investigative, exclusion - 57,
definition – 69, 93
Extended Coverage, 79

F

Facility Services, 18
Future Moms (pre-natal program), 53

G

General Rules Governing Benefits, 10
Group Benefits Administrator, 65, definition
-69
Gynecological Examination, 9, 31

H

Health Insurance Portability and
Accountability Act (HIPAA), 65
Hearing Services, exclusion - 58
Home Health Services, 6, 25,
exclusion - 58, definition – 69
Home Private Duty Nurses Services, 6, 48
Hospice Care Services, 6, 34
Hospital Admission Review, 19
Hospital Services, 7, 18

I

Immunizations, 9, 32
Individual Case Management, 50
Infertility, drugs, exclusion – 57, 60
Infusion Services, 7, 35
Inpatient, 3, 5, 7, definition - 70
Inpatient Services, 18
(see also Hospital Services)

K

Key Words, 3

M

Mammogram, 9, 31
Mastectomy, 67
Maternity Services, 7, 28
Medical Formulas, 7, 48
Medical, Surgical, and Behavioral Health Services, 28
Medical Equipment, 7, 47
Medically Necessary, 10, exclusion - 59, definition - 70
Morbid Obesity, 18, exclusion - 59

N

Notice from the Plan Administrator to You and You to the Plan Administrator, 17
NurseLine, 53

O

Other Covered Services, 47, definition - 70
Open Enrollment, 76
Organ and Tissue Transplants, 11, exclusion - 59
Orthodontic benefits, 6, 44
Out-of-Network Benefit, 17
Out-of-Pocket Expense Limit, 3, 5, 16, definition - 71
Outpatient, 3, 5, 7, definition - 71
Outpatient Hospital, 7, 18
Outpatient Prescription Drugs, 7, 38, definition - 71

P

Pap Test, 9, 31
Partial Day Hospitalization, 5, 18, 23
Payment Errors, 64
Payment to Network and Out-of-Network Providers, 10
Physical Therapy, 8, 35, exclusion - 61
Plan Administrator, 1, 2, 4, 17, definition - 71
Plan of Treatment, 21, 25, 46
Plan Year, 4, definition - 71
Postpartum Services, 53
Pre-Admission Testing, 18
Prescription Drugs, see Outpatient Prescription Drugs
Preventive Care, 9, 31
Primary Coverage, 15
Privacy Protection, 63
Private Duty Nursing, 48
Professional Services, 28

Programs Included in Your Health Plan, 53
Proof of Loss, 64
Prostate Screening (PSA Test), 9, 31
Provider, definition - 72

Q

Qualified Beneficiary (Extended Coverage), 69, 79
Qualifying Event (Extended Coverage), 77, 79

R

Reconstructive Breast Surgery, 67
Reimbursement, 4
Respiratory Therapy, 8, 35

S

Secondary Coverage, 15
Semi-Private Room, 18, 21
Shots, 7, 18, 28
Skilled Nursing Facility Services, 7, 21, definition - 80
Spinal Manipulation, 8, 33
Stay, 18, 19, 21, 28, exclusion - 55, definition - 72
Surgical Services, 8, 18, 28, 29, 44

T

Therapy Services, 8, 35

V

Vision Services, 9, 48, exclusion - 62
Visit, definition - 72

W

Well Child Services, 9, 32
Wellness Services, 9, 32
When Benefits Start and End, 10

Y

You, 4, definition - 72
Your Health Plan, 4, definition - 72

