



**THE TAXPAYERS NETWORK**

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**THE  
TAXPAYERS  
NETWORK**

**Taxpayers Network Inc.**

*Your source for comprehensive comparative  
data and public policy news*

**Taxes • Government Expenditures  
Health and Long Term Care Financing  
Global Trade • Retirement  
Commerce and Economic Development**

## ABOUT THE TAXPAYERS NETWORK

The Taxpayers Network (TNI) is a non-profit social welfare organization founded in 1992 with the mission of educating its members and the general public about government and public policy. In addition to disseminating valuable information to the nation's policymakers, The Taxpayers Network conducts and publishes research with the goal of generating policy discussions in many issue areas, including:

- Government Programs and Expenditures
- Taxation
- Economic Prosperity
- Social Security and Retirement Programs
- Global Trade
- Education

The Taxpayers Network is an individual membership organization that has tens of thousands of members in more than 40 states.

### Taxpayers Network members receive:

- The "Network News" newsletter
- Access to the TNI Network Member Benefit Package\*
- Free featured publications including the "50 State Comparison" guide\*\*
- Discounts on educational programs
- Free access to The Taxpayers Network members-only website including archived documents and research
- Free admission to Taxpayers Network meetings

\* applies to standard membership

\*\* available upon request

## THE TAXPAYERS NETWORK STANDARD MEMBERSHIP BENEFIT PACKAGE INCLUDES:

- **Enrollment in the TNI Pharmacy Savings Program**  
(receive 20% off the average wholesale price on prescription drugs at over 45,000 retail pharmacies nationwide)
- **Enrollment in the TNI Vision Benefit Program**  
(savings of up to 60% at over 20 national and regional vision care providers)
- **Enrollment in the TNI Diabetic Savings Program**  
(savings of up to 50% a month on diabetic supplies)
- **Access to the TNI Dental Savings Program**  
(receive up to 30% off dental care at 44,000 provider locations nationwide)
- **Access to the TNI Chiropractic and Alternative Health Care Savings Program**  
(receive up to 50% off chiropractic services at 12,000 chiropractic locations nationwide)
- **Access to Health Insurance**  
(available in selected states)
- **Enrollment in the TNI Travel Discount Program**  
savings at major hotel chains and car rental agencies
- **And many more benefits!**



# MedOne<sup>®</sup>

*A selection of health insurance plans for Individuals & Families*

**Indiana**



# MedOne

A selection of health insurance plans for *Individuals & Families*



## ***Expertise — Choice — Customer Focus.***

*What you want from your health insurance company.*

### **Expertise**

At American Medical Security from PacifiCare (AMS), health plans for individuals and families are what we do best. Over the years, we've used our expertise to design plans that give you more choices, more options, and more ways to get the most from your premium dollar.

### **Choice**

We place an emphasis on choice—your choice. Our wide selection of health insurance products for individuals allows you to develop a plan that's based on your health and economic requirements. Plus, you can enhance your coverage to meet your health needs by selecting prescription drug coverage or dental insurance.

### **Customer Focus**

From questions about a claim to verifying providers, we'll get you the answers when you need them. With our 24-hour customer service, we're there to take your call, whether it's one in the afternoon or three in the morning. And you'll always talk to a friendly customer service representative—without a menu of buttons to push.

Because we value your health, you'll have access to resources so you can get the most from your health plan. Whether you need to speak to a registered nurse, research hospitals, participate in an online wellness program, or order prescriptions online; we give you the tools to put knowledge at your fingertips.

## ***Expertise — Choice — Customer Focus.***

*What you'll receive from American Medical Security.*

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**With AMS, the choice is yours.** You can choose from the lower out-of-pocket costs of a traditional health insurance plan to the lower premium of a high-deductible plan. Or maybe it's the tax savings possible from a health savings account (HSA) paired with an insurance plan that you're looking for — the choice is yours.

*Below you'll find a brief overview of our three plan designs.*

**Deductible:**

*The amount of covered expenses you pay each calendar year before benefits are paid under the Policy.*

**Preferred Provider Organization (PPO):**

*A group of health-care providers contracted to provide medical services at negotiated rates.*

**Copayment (Copay):**

*A fixed fee that you pay toward charges.*

**Coinsurance:**

*The insurance plan's level of coverage after the calendar-year deductible is satisfied. After the coinsurance limit is met, the insurer pays 100% of covered expenses for the remainder of the calendar year.*

**MedOne Plus®**

MedOne Plus, AMS' premier product, provides you the value of a traditional health insurance plan that uses a preferred provider organization (PPO). This plan design features:

- Lower deductibles and out-of-pocket costs.
- Coverage with only one copayment for most office visits and preventive services.
- A wide range of copayments, deductibles, and coinsurance amounts to fit your health-care needs.



*Mary has two small children who make frequent visits to the doctor's office. She prefers the single copay and the lower out-of-pocket costs of MedOne Plus.*

**MedOne Plus®**

**MedOne Security®**

MedOne Security can be a cost-effective product if you prefer insurance for major medical expenses. This plan design features:

- A wide range of premium-saving higher deductibles and facility copayments to choose from.
- Coverage for emergencies and major illness.



*Jim, a recent college graduate, rarely visits the doctor's office but wants to be sure he has coverage should he have an accident or serious illness. He's decided that MedOne Security is for him.*

**MedOne Security®**

**MedOne HSAvings<sup>SM</sup>**

MedOne HSAvings paired with an HSA is ideal if you'd like greater control of your health-care dollars with potential tax savings. This plan design features:

- A lower premium with a high-deductible.
- An aggregate deductible where a family's eligible expenses are pooled together to meet one deductible.



*Fred and Michelle like their money to work for them, so they choose MedOne HSAvings. They prefer a higher deductible plan and like the possibility of tax savings when paired with a health savings account.*

**MedOne HSAvings<sup>SM</sup>**

# Plan Information

## Eligibility

If you'd like to apply for a MedOne health insurance plan, you must be a member in good standing of the Taxpayers Network Inc. (TNI) Association, age 18 or over and under age 65. All applicants must meet the insurer's underwriting requirements and be U.S. citizens or be in the U.S. by a permanent resident card. A copy of the permanent resident card (form I-551) is required. Your dependents who wish to have coverage must be a lawful spouse and/or unmarried child under age 19. If the child is a full-time student at an accredited school, college, or university, coverage is provided to age 25.

## EarlyCare Coverage (child only)

When you need to purchase coverage for a child only, choose MedOne Security or MedOne Plus plans EarlyCare option. EarlyCare coverage is ideal for providing child protection as an alternative to employer-sponsored coverage, when a divorce decrees child coverage is mandatory, or for grandparents who want to ensure grandchildren have coverage. Parents or legal guardians can apply for coverage for eligible children. Eligible applicants include unmarried children age 14 days to 19 years or to age 25 if the child is a full-time student at an accredited school, college, or university. Parents or legal guardians must also be members in good standing of the TNI Association.

## Value-Added Services and Discounts

*These noninsurance services are provided through a contractual agreement with third parties, and are not administered or underwritten by us. Unless indicated, these services are available to most AMS customers.*

### 24-Hour Customer Service

Whenever you call AMS, a customer service representative will answer the phone—24 hours a day, 365 days a year. You can expect prompt, friendly service and accurate information about claims, general coverage, and benefits any time of the day or night.

### 24-hour Nurse Line and Audio Library\*

From rashes to headaches, allergies to stomach pain, the 24-hour information program is a great source of general health information to supplement your physician's care. Simply call the 24-hour Nurse Line toll free at any time to speak with an experienced, registered nurse about your health concerns. You also have the option of listening to prerecorded information on many health topics in the Audio Library.

### AMS Health Discovery Center<sup>SM\*</sup>

The AMS Health Discovery Center may help you control the quality and costs of your health care. It's an interactive online resource that contains extensive information about medical conditions and treatments, prescription and over-the-counter drugs and their costs, hospital rankings, questions to ask your doctor, and more.

*\* The 24-hour Health Information Program is offered by PacifiCare Health Plan Administrators, Inc. Its intent and the intent of the AMS Health Discovery Center is to provide general information regarding common health questions or conditions. If you have a specific question relating to a condition or medical course of treatment for yourself or others, please consult your physician. If you believe you need emergency room services, call 911, or its local equivalent, or go to the nearest medical facility for treatment.*



*EarlyCare coverage is ideal for providing child protection as an alternative to employer-sponsored coverage, or for grandparents who want to ensure grandchildren have coverage.*



*Customer service representatives are available to answer the phone—24 hours a day, 365 days a year.*



### **PPO Plan Options**

With all MedOne insurance plans, you have the freedom to visit the doctor you feel most comfortable with—the doctor you trust. You can save money by selecting a PPO insurance plan and visiting network providers when you need treatment.

### **Prescription Discount**

When you purchase your prescription drugs at a member pharmacy, you pay the entire cost of your prescription drug but at the discounted cost. (See pages 7, 9, and 14 for coverage options.)

### **Dental Discounts**

AMS and CAREINGTON International have an agreement to provide MedOne insureds with a dental discount program. Thousands of participating dentists nationwide present discounts on a variety of common dental services—from cleanings and exams to crowns and prosthetics. Dental insurance with broad coverage is available to replace the CAREINGTON discount program. (See page 15 for more information.)

### **VSP® Discounts**

Laser Vision Discounts: VSP has made arrangements with laser surgery facilities and doctors to offer its members discounts that average 20% to 25%. Eyewear Discounts: VSP doctors offer valuable savings, including a 20% discount on pairs of prescription glasses (lenses and frame) not covered by an eyewear benefit. You can also save 15% on the cost of your contact lens exam when you receive contact lens services from VSP.

## **Insurance Plan Features**

Unless indicated, these plan features are included with all MedOne plan designs.

### **TravelCare®**

The TravelCare benefit allows insureds who are traveling outside their networks' primary service areas to receive care from a nationwide PPO network. Receive care from a nationwide provider and get network-level coverage that may mean less out-of-pocket expense for you. *To receive this insurance benefit, select an insurance plan design using a PPO.*

### **On-the-Job Protection**

On-the-Job Protection offers 24-hour coverage for eligible medical expenses due to work-related injury or sickness.

### **Non-tobacco Use Discount**

If you don't use tobacco, you may receive premium savings.

### **Get the most from your plan!**

When you precertify treatment, health-care management professionals can advise you and your physician of the coverage available for your treatment. By offering sensible, cost-effective solutions, we encourage you to manage your health care and get the most from your insurance plan.

### **PPO Networks**

A network of credentialed doctors, clinics, hospitals, and other health-care providers are contracted to provide medical services at negotiated fees. Your benefits may be greater when you select a PPO network and use network providers. Network providers are compensated for services covered under the Policy at predetermined rates which are usually less than the provider's customary rates. Network provider charges for covered services are considered reasonable and customary. AMS may replace the network at any time. You'll receive advance notice of changes.

### **Term Life AD&D Insurance**

Insurance plans include \$10,000 Term Life AD&D insurance for the primary insured.

### **Receive up to \$1,000 Cash**

If you find an overcharge on a hospital or medical bill, we may pay you up to 50% of the savings, up to \$1,000 cash per calendar year.

## Choosing a MedOne Plus Plan Design

MedOne Plus provides you the value of a traditional health insurance plan that uses a preferred provider organization.

- Carefully review both of the MedOne Plus plan designs listed below. Choose either the PPO Benefit Plan 100% or the PPO Benefit Plan.
- After you select your plan design, choose an office visit copay and network deductible amount.
- If you select the PPO Benefit Plan, you'll also need to choose your network coinsurance amount (either 80% or 50%).
- When an office visit copay is selected, both plan designs allow you to select the X-ray and Lab Option (XL), which will upgrade your selection to a PPO Benefit Plan 100% XL Option or PPO Benefit Plan XL. If you anticipate medical imaging or lab procedures, this option may be worth considering. See description on page 14.
- Select optional benefits such as dental insurance and prescription drug coverage to enhance your plan. See page 14 and 15 for more information.

Features	PPO Benefit Plan 100%		PPO Benefit Plan	
<b>Lifetime Maximum</b>				
<i>Per insured</i>	\$5 Million		\$5 Million	
<b>Office Visit Copay Options</b>				
<i>A fixed fee that you pay toward office visit charges. When no copay (none) is selected, charges for the office visit are payable after your selected deductible and coinsurance.</i>	<input type="checkbox"/> \$30 <input type="checkbox"/> \$40 <input type="checkbox"/> None		<input type="checkbox"/> \$30 <input type="checkbox"/> \$40 <input type="checkbox"/> None	
<b>Deductible Options</b>				
<i>The amount of covered expenses you pay each calendar year before benefits are paid under the insurance Policy.</i>	<b>Network</b>	<b>Non-network</b>	<b>Network</b>	<b>Non-network</b>
	<input type="checkbox"/> \$ 1,000	\$ 2,000	<input type="checkbox"/> \$ 500	\$ 1,000
	<input type="checkbox"/> \$ 1,500	\$ 3,000	<input type="checkbox"/> \$ 750	\$ 1,500
	<input type="checkbox"/> \$ 2,500	\$ 5,000	<input type="checkbox"/> \$ 1,000	\$ 2,000
	<input type="checkbox"/> \$ 5,000	\$ 10,000	<input type="checkbox"/> \$ 1,500	\$ 3,000
	<input type="checkbox"/> \$ 7,500*	\$ 15,000	<input type="checkbox"/> \$ 2,500	\$ 5,000
	<input type="checkbox"/> \$ 10,000*	\$ 20,000	<input type="checkbox"/> \$ 5,000	\$ 10,000
	*Not available with \$30 copay.			
<b>Coinsurance Options</b>				
<i>The level of coverage for eligible expenses provided by the insurance plan after the calendar year deductible is satisfied.</i>	100%	70%	<input type="checkbox"/> 80% <input type="checkbox"/> 50%	50% 50%
	*Not available with all networks.			
<b>Individual Out-of-Pocket Maximum</b>				
<i>The maximum amount you pay per calendar year for covered expenses, plus your selected deductible.</i>	\$0	\$4,000	<input type="checkbox"/> \$ 2,000** <input type="checkbox"/> \$ 4,000***	\$ 4,000 \$ 8,000
	**Only available with 80% option. ***Only available with 50% option.			
<b>XL Option</b>				
<i>This option pays 100% to \$150 per covered person, per calendar year for Network routine and non-routine x-rays and laboratory tests. See page 14 for complete details.</i>	<input type="checkbox"/> PPO Benefit Plan 100% XL Option		<input type="checkbox"/> PPO Benefit Plan XL Option	

Insurance plans provide only limited benefits for services provided by non-network providers. Benefits received from non-network providers are subject to a separate non-network deductible and coinsurance limit.

Note: The Classic Benefit plan (Non-PPO) is available.

**The Following Coverage Applies to 100%, 80%, and 50% Options**

**Physician Office Visit**

<b>Network Office Visit</b> <b>Copay then 100%</b>	<b>Non-network Office Visit</b> <b>Deductible, coinsurance, then 100%</b>
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When no copay (none) is selected, charges for the office visit are payable after your selected deductible then coinsurance, then 100%.

**Wellness Benefit**

<b>Network Office Visit</b> <b>Copay then 100%</b>	<b>Non-network Office Visit</b> <b>Not Covered</b>	<b>Network X-ray/lab</b> (PSA, Pap smear, and mammogram) <b>Deductible, coinsurance, then 100%</b>	<b>Non-network X-ray/lab</b> <b>Not Covered</b>
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When no copay (none) is selected, charges for the office visit are payable after your selected deductible, coinsurance, then 100%.

**Radiology (X-ray) Test/Pathology (lab) Test**

**Deductible, coinsurance, then 100%**

If the XL buy-up option is selected, see page 6 for coverage details.

**Surgery and Anesthesiology Fee**

**Deductible, coinsurance, then 100%**

**Routine Vision Exam**

<b>Vision Benefit Network Provider</b> <b>\$10 copay, then 100%</b>	<b>Vision Benefit Non-network Provider</b> <b>Payable to a maximum of \$38 after \$10 copay</b>
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**Inpatient and Outpatient Facility Charges**

**Deductible, coinsurance, then 100%**

**Physician Inpatient Hospital Visit**

**Deductible, coinsurance, then 100%**

**Emergency Room Charges**

**\$100 copay, deductible, coinsurance, then 100%**

Copay is waived if immediately confined.

**Ambulance (air and ground)**

**Deductible, coinsurance, then 100%**

**Prescription Drug**

**Drug discount program**

Drug discount program is not an insurance benefit.

**Prescription Drug Coverage Options**

Choose from these deductibles; \$0, \$500 or \$1,000, then the following coverage applies:

<b>Retail</b>		<b>Mail Order</b>	
<b>Generic drug</b> \$15 copay; 30-day supply	<b>Brand name</b> 50% coinsurance; 30-day supply	<b>Generic drug</b> \$30 copay; 90-day supply	<b>Brand name</b> \$60 copay; 90-day supply

When generic is available and you choose brand, you pay the difference between the two. If selected, separate prescription drug deductibles and coinsurance levels are per person, per calendar year.

Insurance plans provide only limited benefits for services provided by non-network providers. Benefits received from non-network providers are subject to a separate non-network deductible and coinsurance limit.

Note: The Classic Benefit plan (Non-PPO) is available.

## Choosing a MedOne Security Plan Design

MedOne Security provides you the coverage for emergencies and major illnesses or injuries while limiting your premium amount.

1. Carefully review each of the MedOne Security PPO Facility Copay plan designs listed below. Choose either the 100%, 80%, or 50% option.
2. After you select your plan design, choose an office visit copay and network deductible amount.
3. Select optional benefits such as dental insurance or prescription drug coverage to enhance your plan. See page 14 and 15 for more information.

### PPO Facility Copay Plan

Features	100% Option		80% Option		50% Option	
<b>Lifetime Maximum</b>						
<i>Per insured</i>	\$5 Million		\$5 Million		\$5 Million	
<b>Office Visit Copay Options</b>						
<i>A fixed fee that you pay toward office visit charges. When no copay (none) is selected, charges for the office visit are payable after your selected deductible and coinsurance.</i>	<input type="checkbox"/> \$40 <input type="checkbox"/> None		<input type="checkbox"/> \$30 <input type="checkbox"/> \$40 <input type="checkbox"/> None		<input type="checkbox"/> \$30 <input type="checkbox"/> \$40 <input type="checkbox"/> None	
<b>Deductible Options</b>						
<i>The amount of covered expenses you pay each calendar year before benefits are paid under the insurance Policy.</i>	<b>Network</b>	<b>Non-network</b>	<b>Network</b>	<b>Non-network</b>	<b>Network</b>	<b>Non-network</b>
	<input type="checkbox"/> \$ 5,000	\$10,000	<input type="checkbox"/> \$ 1,000	\$ 2,000	<input type="checkbox"/> \$ 1,000	\$ 2,000
	<input type="checkbox"/> \$ 7,500	\$15,000	<input type="checkbox"/> \$ 1,500	\$ 3,000	<input type="checkbox"/> \$ 1,500	\$ 3,000
	<input type="checkbox"/> \$10,000	\$20,000	<input type="checkbox"/> \$ 2,000	\$ 4,000	<input type="checkbox"/> \$ 2,000	\$ 4,000
			<input type="checkbox"/> \$ 4,000	\$ 8,000	<input type="checkbox"/> \$ 4,000	\$ 8,000
			<input type="checkbox"/> \$ 5,000*	\$10,000	<input type="checkbox"/> \$ 5,000*	\$10,000
			<input type="checkbox"/> \$ 7,500*	\$15,000	<input type="checkbox"/> \$ 7,500*	\$15,000
			<input type="checkbox"/> \$10,000*	\$20,000	<input type="checkbox"/> \$10,000*	\$20,000
			*Not available with \$30 copay.		*Not available with \$30 copay.	
<b>Inpatient/Outpatient Facility Charges</b>						
<i>The facility copays apply to both Network and Non-network facility charges.</i>	<p>\$500 inpatient copay and \$250 outpatient copay, deductible, coinsurance, then 100% when choosing deductible options from \$1,000-\$4,000.</p> <p>-OR-</p> <p>\$1,000 inpatient copay and \$500 outpatient copay, deductible, coinsurance, then 100% when choosing deductible options from \$5,000-\$10,000.</p>					
<b>Coinsurance Options</b>						
<i>The level of coverage for eligible expenses provided by the insurance plan after the calendar year deductible is satisfied.</i>	100%	70%	80%	50%	50%**	50%
						**Not available with all networks.
<b>Individual Out-of-Pocket Maximum</b>						
<i>The maximum amount you pay per calendar year for covered expenses, plus your selected deductible.</i>	\$0	\$4,000	\$2,000	\$4,000	\$4,000	\$8,000

Insurance plans provide only limited benefits for services provided by non-network providers. Benefits received from non-network providers are subject to a separate non-network deductible and coinsurance limit.

**The Following Coverage Applies to 100%, 80%, and 50% Options**

**Physician Office Visit**

<b>Network Office Visit</b> <b>Copay then 100%</b>	<b>Non-network Office Visit</b> <b>Deductible, coinsurance, then 100%</b>
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When no copay (none) is selected, charges for the office visit are payable after your selected deductible then coinsurance, then 100%.

**Wellness Benefit**

<b>Network Office Visit</b> <b>Copay then 100%</b>	<b>Non-network Office Visit</b> <b>Not Covered</b>	<b>Network X-ray/lab</b> (PSA, Pap smear, and mammogram) <b>Deductible, coinsurance, then 100%</b>	<b>Non-network X-ray/lab</b> <b>Not Covered</b>
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When no copay (none) is selected, charges for the office visit are payable after your selected deductible, coinsurance, then 100%.

**Radiology (X-ray) Test/Pathology (lab) Test**

**Deductible, coinsurance, then 100%**

**Surgery and Anesthesiology Fee**

**Deductible, coinsurance, then 100%**

**Routine Vision Exam**

<b>Vision Benefit Network Provider</b> <b>\$10 copay, then 100%</b>	<b>Vision Benefit Non-network Provider</b> <b>Payable to a maximum of \$38 after \$10 copay</b>
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**Physician Inpatient Hospital Visit**

**Deductible, coinsurance, then 100%**

**Emergency Room Charges**

**\$100 copay, deductible, coinsurance, then 100%**

Copay is waived if immediately confined.

**Ambulance (air and ground)**

**Deductible, coinsurance, then 100%**

**Prescription Drug**

**Drug discount program**

Drug discount program is not an insurance benefit.

**Prescription Drug Coverage Options**

Choose from these deductibles; \$0, \$500 or \$1,000, then the following coverage applies:

<b>Retail</b>		<b>Mail Order</b>	
<b>Generic drug</b> \$15 copay; 30-day supply	<b>Brand name</b> 50% coinsurance; 30-day supply	<b>Generic drug</b> \$30 copay; 90-day supply	<b>Brand name</b> \$60 copay; 90-day supply

When generic is available and you choose brand, you pay the difference between the two. If selected, separate prescription drug deductibles and coinsurance levels are per person, per calendar year.

## An Alternative Approach to Funding Health-Care Costs for Individuals

The cost for health care and health insurance has risen in recent years. As a result, individuals are looking for solutions. And AMS has a health insurance solution that can help individuals and families.

Many individuals prefer a health insurance plan with lower premiums. They want protection from financial losses that may result from a hospitalization or other catastrophic event but are willing to pay expenses for less serious medical services. Pairing a tax-preferred federal health savings account (HSA)\* with a high-deductible health plan (HDHP) may be the answer.

### What Is a Health Savings Account (HSA)?

An HSA is a federal tax-deductible savings account set up at a financial institution to save money exclusively for payment of qualified medical expenses. This account must be used in conjunction with a high-deductible health plan that meets government requirements.

### What Is a High-Deductible Health Plan (HDHP)?

An HDHP has a higher calendar-year deductible than typical health insurance plans and has a maximum limit on the annual out-of-pocket amount for covered expenses. These amounts are determined by the federal government. They follow the Department of Labor's Consumer Price Index and may change from year to year.

### About HDHPs

HDHPs must meet federal guidelines. For 2006, the deductible must be at least \$1,050 for individual coverage and \$2,100 for family coverage.

Those with family coverage meet a family deductible, and eligible expenses for all family members contribute to that deductible. When the family calendar-year deductible is met by any combination of family members, the insurance plan pays benefits for the entire family.

HDHPs also have maximum limits on the annual out-of-pocket amounts for covered expenses. The amounts paid to meet the deductible are applied to the maximum out-of-pocket amounts.

### MedOne HSAvings\*

AMS has designed MedOne HSAvings to meet federal government HDHP requirements. The broad selection of available deductibles and coinsurance levels allows you to find a plan design that fits your budget needs. Best of all, there are no copays. Optional benefits include routine wellness, dental, and prescription drug buy-ups.

*\* Both the family and individual deductible plans have been designed to meet the HSA high-deductible health plan requirements of Federal Law (26 U.S.C. Sec. 223). This law contains several requirements regarding the tax deductibility of HSAs. Please consult with a tax and legal adviser to determine whether the HSA will qualify as tax deductible. HSAs are not insurance.*

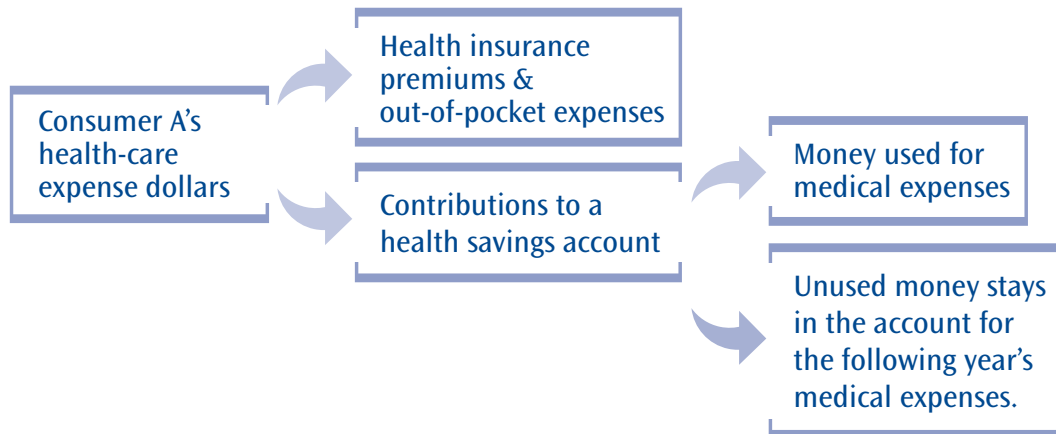
### How To Take Advantage of an HSA

1. Obtain a MedOne HSAvings plan.
2. Set up an HSA with a financial institution.
3. Contribute to the HSA.
4. Use HSA dollars to pay for qualified medical expenses.
5. Realize tax savings when computing taxable income on tax returns.

**How It Works**

**Health Plan with an HSA**

When an HSA is used together with an HDHP, health-care expense dollars are split between health insurance and the HSA. The HSA owner decides the amount to deposit in the HSA. At the end of the year, any money that hasn't been used can remain in the HSA for the following year's medical expenses. The following diagram illustrates the benefits of an HSA.



**Health Plan without an HSA**

Without an HSA, health-care expense dollars go entirely to health insurance.



**HSA Contributions and Withdrawals**

**Contributions.** The amount an individual or family may contribute to the HSA is determined by the federal government and may change. The 2006 yearly limits are set at the amount equal to the insurance plan's deductible or \$2,700 for individual coverage and \$5,450 for family coverage, whichever is less. Contributions can be made for any full calendar month provided the HSA owner's HDHP coverage was in effect on the first day of that month. Excess contributions, if not withdrawn, may be taxed at the owner's current tax rate plus an excise tax of 6%.

**Withdrawals.** The HSA owner decides where to spend HSA health-care dollars within guidelines established by the federal government. Visits to physician offices, dental care, nursing care, psychiatric care, and chiropractic care are examples of eligible expenses listed in IRS Publication 502, which is available at the IRS Web site, [www.irs.gov](http://www.irs.gov).

If funds are withdrawn for unqualified expenses, those funds can't be deducted from taxable income, and, if the HSA owner is under the age of Medicare eligibility, a 10% penalty may apply. Cosmetic surgery, nutritional supplements, and childcare are examples of unqualified expenses. The HSA owner is responsible for determining if an expense qualifies according to federal government rules and can be paid with HSA funds.

**HSA Eligibility**

Anyone who has an HDHP and meets government requirements may open an HSA. MedOne HSAvings is designed by AMS to meet these requirements.

**HSA Tax Advantages**

**Tax-deductible.** Qualified contributions to the HSA are 100% tax-deductible.

**Tax-free.** Qualified medical expense withdrawals are tax-free. Dollars can be used to pay for items not usually covered by health insurance, such as eyeglasses, dental care, and much more, as specified by IRS Code 213(d).

**Tax-deferred.** Accumulated interest earnings are tax-deferred. Savings not used accumulate year after year and may be used to fund retirement needs at age 65.

## Family Deductible Plan

Your lifetime maximum per covered person is \$5 million.

	Deductible Amounts		Coinsurance Amounts	
	Network	Non-network	Network	Non-network
<b>100% Option</b>	<input type="checkbox"/> \$ 2,500	\$ 5,000	100%	70% of \$10,000
	<input type="checkbox"/> \$ 3,000	\$ 6,000		
	<input type="checkbox"/> \$ 4,000	\$ 8,000		
	<input type="checkbox"/> \$ 5,000	\$10,000		
	<input type="checkbox"/> \$ 5,500	\$11,000		
	<input type="checkbox"/> \$ 6,000	\$12,000		
	<input type="checkbox"/> \$ 7,500	\$15,000		
<input type="checkbox"/> \$10,000	\$20,000			
<b>80% Option</b>	<input type="checkbox"/> \$ 2,500	\$ 5,000	80% of	60% of
			<input type="checkbox"/> \$ 10,000	\$ 10,000
			<input type="checkbox"/> \$ 20,000	\$ 20,000
			<input type="checkbox"/> \$ 30,000	\$ 30,000
	<input type="checkbox"/> \$ 3,000	\$ 6,000	<input type="checkbox"/> \$ 10,000	\$ 10,000
			<input type="checkbox"/> \$ 20,000	\$ 20,000
			<input type="checkbox"/> \$ 30,000	\$ 30,000
	<input type="checkbox"/> \$ 4,000	\$ 8,000	<input type="checkbox"/> \$ 10,000	\$ 10,000
			<input type="checkbox"/> \$ 20,000	\$ 20,000
			<input type="checkbox"/> \$ 30,000	\$ 30,000
	<input type="checkbox"/> \$ 5,000	\$10,000	<input type="checkbox"/> \$ 10,000	\$ 10,000
			<input type="checkbox"/> \$ 20,000	\$ 20,000
	<input type="checkbox"/> \$ 5,500	\$11,000	<input type="checkbox"/> \$ 10,000	\$ 10,000
			<input type="checkbox"/> \$ 20,000	\$ 20,000
<input type="checkbox"/> \$ 6,000	\$12,000	<input type="checkbox"/> \$ 10,000	\$ 10,000	
		<input type="checkbox"/> \$ 20,000	\$ 20,000	
<input type="checkbox"/> \$ 7,500	\$15,000	<input type="checkbox"/> \$ 10,000	\$ 10,000	
<b>50% Option*</b>	<input type="checkbox"/> \$ 2,500	\$ 5,000	50% of	50% of
			<input type="checkbox"/> \$ 5,000	\$ 10,000
			<input type="checkbox"/> \$ 10,000	\$ 20,000
			<input type="checkbox"/> \$ 15,000	\$ 30,000
	<input type="checkbox"/> \$ 3,000	\$ 6,000	<input type="checkbox"/> \$ 5,000	\$ 10,000
			<input type="checkbox"/> \$ 10,000	\$ 20,000
	<input type="checkbox"/> \$ 4,000	\$ 8,000	<input type="checkbox"/> \$ 5,000	\$ 10,000
			<input type="checkbox"/> \$ 10,000	\$ 20,000
	<input type="checkbox"/> \$ 5,000	\$10,000	<input type="checkbox"/> \$ 5,000	\$ 10,000
			<input type="checkbox"/> \$ 10,000	\$ 20,000
	<input type="checkbox"/> \$ 5,500	\$11,000	<input type="checkbox"/> \$ 5,000	\$ 10,000
			<input type="checkbox"/> \$ 5,000	\$ 10,000
	<input type="checkbox"/> \$ 6,000	\$12,000	<input type="checkbox"/> \$ 5,000	\$ 10,000
			<input type="checkbox"/> \$ 5,000	\$ 10,000
<input type="checkbox"/> \$ 7,500	\$15,000	<input type="checkbox"/> \$ 5,000	\$ 10,000	

\*Not available with all networks.

### Choosing a MedOne HSAvings Plan Design

MedOne HSAvings provides you with the possibility of tax savings when paired with a health savings account (HSA).

- Carefully review each of the MedOne HSAvings plan designs listed (family options on page 12 and individual options on page 13). Choose either the 100%, 80%, or 50% option.
- After you select your plan design, choose a network deductible amount, then a network coinsurance amount.
- Select an optional benefit such as dental insurance or prescription drug coverage to enhance your plan. See page 14 and 15 for more information.

To determine your out-of-pocket maximum, add your deductible to your coinsurance portion.

### Family Aggregate Deductible

*Eligible expenses for all family members contribute to meeting the family deductible. When the family deductible is met by any combination of family members, the insurance plan pays benefits for the entire family.*

Insurance plans provide only limited benefits for services provided by non-network providers. Benefits received from non-network providers are subject to a separate non-network deductible and coinsurance limit.

Note: The Classic Family plan (Non-PPO) is available.

**Individual Deductible Plan**

Your lifetime maximum per covered person is \$5 million.

	Deductible Amounts		Coinsurance Amounts	
	Network	Non-network	Network	Non-network
<b>100% Option</b>	<input type="checkbox"/> \$ 1,500	\$ 3,000	100%	70% of \$10,000
	<input type="checkbox"/> \$ 2,000	\$ 4,000		
	<input type="checkbox"/> \$ 2,500	\$ 5,000		
	<input type="checkbox"/> \$ 2,800	\$ 5,600		
	<input type="checkbox"/> \$ 3,000	\$ 6,000		
	<input type="checkbox"/> \$ 3,500	\$ 7,000		
	<input type="checkbox"/> \$ 4,000	\$ 8,000		
<input type="checkbox"/> \$ 5,000	\$ 10,000			
<b>80% Option</b>	<input type="checkbox"/> \$ 1,500	\$ 3,000	80% of	60% of
			<input type="checkbox"/> \$ 5,000	\$ 5,000
			<input type="checkbox"/> \$ 10,000	\$ 10,000
			<input type="checkbox"/> \$ 15,000	\$ 15,000
	<input type="checkbox"/> \$ 2,000	\$ 4,000	<input type="checkbox"/> \$ 5,000	\$ 5,000
			<input type="checkbox"/> \$ 10,000	\$ 10,000
			<input type="checkbox"/> \$ 15,000	\$ 15,000
	<input type="checkbox"/> \$ 2,500	\$ 5,000	<input type="checkbox"/> \$ 5,000	\$ 5,000
			<input type="checkbox"/> \$ 10,000	\$ 10,000
	<input type="checkbox"/> \$ 2,800	\$ 5,600	<input type="checkbox"/> \$ 5,000	\$ 5,000
		<input type="checkbox"/> \$ 10,000	\$ 10,000	
<input type="checkbox"/> \$ 3,000	\$ 6,000	<input type="checkbox"/> \$ 5,000	\$ 5,000	
		<input type="checkbox"/> \$ 10,000	\$ 10,000	
<input type="checkbox"/> \$ 3,500	\$ 7,000	<input type="checkbox"/> \$ 5,000	\$ 5,000	
		<input type="checkbox"/> \$ 10,000	\$ 10,000	
<input type="checkbox"/> \$ 4,000	\$ 8,000	<input type="checkbox"/> \$ 5,000	\$ 5,000	
<b>50% Option*</b>	<input type="checkbox"/> \$ 1,500	\$ 3,000	50% of	50% of
			<input type="checkbox"/> \$ 5,000	\$ 10,000
	<input type="checkbox"/> \$ 2,000	\$ 4,000	<input type="checkbox"/> \$ 5,000	\$ 10,000
	<input type="checkbox"/> \$ 2,500	\$ 5,000	<input type="checkbox"/> \$ 5,000	\$ 10,000
	<input type="checkbox"/> \$ 2,800	\$ 5,600	<input type="checkbox"/> \$ 5,000	\$ 10,000

\*Not available with all networks.

**Individual and Family Wellness**

*This option pays 100% to \$300 per covered person, per calendar year. See page 14 for complete details.*

To determine your out-of-pocket maximum, add your deductible to your coinsurance portion.

**Covered Expenses Apply to Both Family and Individual Deductible Plans**

<p><b>Physician Services</b> Professional fees Inpatient and outpatient services Emergency room services</p>	<p><b>Pathology (lab) and Radiology (X-ray) Tests</b> Diagnostic MRI and CAT scans</p>	<p><b>Complications of Pregnancy</b> <b>Transplants</b> <b>Ambulance</b> Ground and air transportation</p>
<p><b>Wellness (Routine) Benefit</b> (Eligible only when received from a network provider unless otherwise mandated) Physical exams Pap smears Prostate screening Mammograms Lab and X-ray</p>	<p><b>Surgery and Anesthesiology Fee</b> Inpatient and outpatient</p>	<p><b>Skilled Nursing Care</b> 30 days per calendar year</p>
	<p><b>Hospital and Facility Services</b> Inpatient and outpatient care Diagnostic tests, lab, and X-ray Emergency room and urgent care</p>	<p><b>Home Health Care</b> 20 visits per calendar year</p>

All eligible services are subject to deductible, then coinsurance to the out-of-pocket maximum, then 100%.

Insurance plans provide only limited benefits for services provided by non-network providers. Benefits received from non-network providers are subject to a separate non-network deductible and coinsurance limit.

Note: The Classic Individual plan (Non-PPO) is available.

## Optional Benefits

The following optional benefits, which were discussed on the previous grid pages, are available at an additional cost.

### XL (X-ray and Lab) Option (MedOne Plus)

The XL Option pays 100% up to \$150 per covered person, per calendar year for PPO routine and non-routine x-rays and laboratory tests. Eligible x-ray and lab charges in excess of the XL benefit are covered subject to your selected deductible and coinsurance, then 100%. This benefit applies to services performed in a physician's office setting. The XL Option is available when you choose a plan design with a \$30 or \$40 office visit copay.

### Prescription Drug Coverage Options (MedOne Plus, MedOne Security)

The prescription drug coverage options provide benefits for covered expenses including the generic version of a prescription drug or the brand-name drug if no generic exists. The coverage options include a separate \$0, \$500, or \$1000 drug prescription deductible then applicable copayment or coinsurance for covered generic and brand name drugs. (For description of benefits, see chart.)

Choose from the following deductibles; \$0, \$500 or \$1,000, then the following benefits apply:

Retail		Mail Order	
<b>Generic drug</b> \$15 copay; 30-day supply	<b>Brand name</b> 50% coinsurance; 30-day supply	<b>Generic drug</b> \$30 copay; 90-day supply	<b>Brand name</b> \$60 copay; 90-day supply

### Prescription Drug Coverage Option (HSAvings)

When purchasing the Prescription Drug Coverage Option, your eligible prescription drug expenses apply to your medical deductible and coinsurance limit. When using a member pharmacy you receive prescription drugs at a reduced cost. You pay the reduced cost at the member pharmacy and they will either submit the information to us electronically or give you a receipt so you can submit it to us. Prescriptions purchased at a non-member pharmacy are not eligible for a reduced cost. However, eligible charges will apply to your non-network medical deductible and coinsurance when you submit your receipt to us. Once the deductible is satisfied for either network or non-network, the medical coinsurance level will cover your prescriptions.

### Wellness (Routine) Option (HSAvings)

The Wellness (Routine) Option pays 100% up to \$300 per covered person, per calendar year for network routine physical exams, X-rays and laboratory tests, mammograms, Pap smears, and prostate screenings. Eligible charges in excess of the the Wellness (Routine) Option benefit are subject to normal insurance plan benefits. This benefit does not apply to services received in a hospital setting.

This Wellness (Routine) Option is not available with the Classic MedOne HSAvings Plans.

### Supplemental Accident Benefit

The Supplemental Accident Benefit (SAB) provides first-dollar coverage for each accidental injury (\$300 for MedOne Plus and MedOne Security, \$500 or \$1000 for MedOne HSAvings). SAB benefits are payable the same whether a network or a non-network provider is seen. Depending on your plan design, you can choose from a maximum of \$300, \$500 or \$1,000 per occurrence with covered expenses payable at 100%, and remaining charges subject to copayments, deductibles, and/or coinsurance. The initial treatment must be received within 72 hours of the accident or injury, and the claim for expenses must be received within 90 days of the accident or injury.



*Add prescription drug coverage, x-ray and lab option, and/or dental insurance for an extra cost to enhance your plan.*

## Optional Dental Insurance for Individuals

Combining the Optional Dental insurance with your MedOne health insurance plan gives you a more comprehensive coverage package. When elected, Optional Dental replaces the CAREINGTON International Discount Dental Program. Optional Dental gives you some of the same coverages as employer-based dental insurance programs.

*Optional Dental coverage is available only at the time a MedOne health insurance plan is applied for or up to 45 days after the application is signed.*

**Waiting Period Information**—Waiting periods apply from the original effective date of Optional Dental coverage. (See chart). Credit for coverage with a prior carrier is not applicable to the waiting periods. A waiting period is the period of time before the insured is eligible for benefits under the Policy.

Optional Dental Services	Coverage	Waiting Period
<b>Calendar Year Deductible</b>	\$50 per person (3 per family maximum)	N/A
<b>Calendar Year Maximum</b>	\$750 per person	N/A
<b>Preventive</b> Oral evaluations and cleanings (twice per calendar year). Topical fluoride treatments (for dependent children to age 16).	80% of eligible expenses (after deductible)	No waiting period
<b>Basic Services</b> X-rays; sealants for dependent children (to age 16); nonsurgical extractions; simple restorative services; stainless steel crowns on primary teeth; repair of crowns, inlays, bridgework, or dentures.	60% of eligible expenses (after deductible)	6-month waiting period
<b>Major Services</b> Endodontics; periodontics; crowns, inlays, onlays, and veneers; oral surgery; dentures, bridges, and partials.	50% of eligible expenses (after deductible)	18-month waiting period

## Voluntary Term Life and AD&D Insurance

Protect your family against financial misfortune caused by death or accidental dismemberment by purchasing one of our optional Term Life and AD&D Insurance benefit levels—to \$300,000 of coverage is available (subject to underwriting approval).

## Voluntary Dependent Term Life Insurance

This Dependent Term Life Insurance option provides additional security in case of the death of a family member (spouse, child age 14 days to 19 years, or a child who's a full-time student until age 25). Dependent Term Life coverages are available only to dependent family members covered on the health insurance plan. (See chart.)

### Voluntary Dependent Term Life Amounts

Spouse Age/Amount Chart:

Age	Amount
0-50	\$5,000
51-55	\$4,500
56-60	\$3,000
61-64	\$1,500
65+	None

Dependent Child: \$5,000 for each covered dependent child age 14 days to 19 years, or if a full-time student, until age 25.

## Covered Expenses

Benefits are subject to applicable copayment, deductible, coinsurance, and maximum allowable charges. All benefits for services are subject to Policy provisions.

### Physician Visit Charges

Covered services include physician office visits.

### Other Medical Professional Charges

Covered services include physician hospital visits; non-routine injections and injectable drugs; and physical, respiratory, and occupational therapy.

### Wellness Benefit

When received from a network provider, the following routine services are available to each covered person:

- Routine physical exam.
- Routine lab tests.
- Prostate screening (PSA).
- Pap smear.
- Mammogram.

Services are not covered when using a Classic Benefit Plan or if they are being done for employment, school, travel, buying insurance, marriage, or family planning.

### Other Covered Expenses

Covered services include radiology and pathology tests and prescription drug benefits (if a Prescription Drug Coverage option is purchased).

### Surgery and Anesthesiology Charges

Covered services include surgery, anesthesiology, post-operative care, and oral surgery performed in a physician's office or in a hospital as an inpatient or outpatient.

### Vision Exam

Coverage includes one comprehensive eye exam every 12 months including refraction. Benefits are payable at 100% after a \$10 copay when services are received from a vision benefit network provider.

Benefits are payable to a maximum of \$38 after a \$10 copay when services are rendered by a vision benefit non-network provider.

*Note: The vision benefit network is separate from the medical network if a PPO insurance plan is chosen.*

### Hospital and Other Facility Charges

Covered services include semi-private room and board, intensive care, and other facility charges, such as inpatient and outpatient care and emergency room fees.

### Complications of Pregnancy

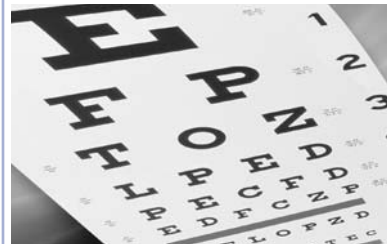
Complications of pregnancy are covered the same as any sickness for any insured female. Complications do not include expense for normal pregnancy and childbirth.

### Newborns

Coverage is included for a newborn or sick baby for 31 days from birth. It includes surgery and treatment of injury, sickness, birth defects, and medically necessary treatment for cleft lip and cleft palate. To continue coverage, an application form must be received by AMS within 31 days from the date of birth. An additional premium may be required.

### Home Health Care

Covered services include part-time physical, respiratory, occupational, and speech therapy and part-time or intermittent skilled home care and health aide services. Covered to 20 visits per calendar year.



### **Skilled Nursing Care**

Includes coverage for room, board, routine services, and skilled nursing care for 30 days per calendar year.

### **Hospice Care**

Part-time nursing care and home health aide services are included up to eight hours a day. Physical therapy, services, supplies, prescription drugs, and case management are also included.

### **Transplants**

When using the Transplant Provider Network, eligible services are covered at 100% after a \$5,000 copay per transplant (or your deductible for MedOne HSAavings) to a \$1 million lifetime maximum. Outside the Transplant Provider Network, eligible services are covered at 70% after a \$10,000 copay per transplant (or your deductible for MedOne HSAavings) to a lifetime maximum of \$250,000. Transplant benefits are combined to a total maximum of \$1,000,000 per lifetime, per insured. (Copays do not track to the insurance plan's total out-of-pocket maximum.)

When the covered transplant patient travels more than 100 miles from home to use the Transplant Provider Network, the insurance plan provides a \$5,000 lifetime maximum per insured travel benefit. This lifetime maximum covers travel, food, and lodging for the patient and one companion (not available with MedOne HSAavings).

Covered services include the transplant of kidney, liver, pancreas, heart, lung, kidney/pancreas, heart/lung, allogenic bone marrow, autologous bone marrow, stem cell, and donor expenses as defined in the Policy. Subject to prior approval. Artificial organs are not covered.

*Note: The transplant provider network is separate from the medical network if a PPO insurance plan is chosen.*

## **State Coverages — Indiana**

### **Anesthesia and Hospital Services for Dental Treatment**

Includes coverage for anesthesia and hospital services for dental treatment the same as any other sickness. Anesthesia and hospital charges for dental care are covered expenses if the mental or physical condition of the individual requires dental treatment to be rendered in a hospital or ambulatory outpatient surgical center for covered children under the age of 19 or a covered individual with a disability. This coverage does not apply to the treatment of temporomandibular joint disorders.

### **Child Health Supervision Services**

Benefits include physical exams, immunizations, and related services from birth to age nine. Dependent children from birth to age one are covered to \$500, then \$150 per calendar year thereafter to age nine.

### **Diabetes Equipment, Supplies and Self-Management Training**

Includes coverage for diabetes self-management training that is medically necessary, ordered in writing by a doctor, and provided by a licensed, registered, or certified health care provider who also has specialized training in the management of diabetes services. Coverage also includes treatment of a covered individual who has insulin-using diabetes, non-insulin using diabetes or elevated blood glucose levels induced by pregnancy or another medical condition. Coverage is the same as any other sickness.

### **Emergency Services**

If you need medical treatment for an emergency medical condition and cannot go to a Network Provider; we will pay covered expenses for medical services rendered by a Non-Network Provider on the same basis as we would for medical services rendered by a Network Provider.



## Billing Options

With all MedOne insurance plans, you have the option of annual, semiannual, or quarterly direct billing. Monthly and other mode of payments can be made by automatic bank draft withdrawals or list billing. Credit cards (VISA® or MasterCard®) will also be accepted for the first month premium only.

## Maximum Allowable Charge

We use a number of national standards to determine maximum amounts payable for medical services. If charges from a non-network provider are above these maximum amounts, the insured person may be subject to additional charges (above copays and coinsurance).

## Out-Of-Pocket Maximum (MedOne Plus, MedOne Security)

The out-of-pocket maximum is a specific limit on the amount of covered expenses you pay per calendar year. When an individual out-of-pocket maximum level has been reached, you no longer pay deductible or coinsurance for that individual for the remainder of that calendar year. The family out-of-pocket maximum is twice the individual amount.

To reach a family deductible maximum, two members of your family must each meet an individual deductible. Once the family out-of-pocket maximum is met, no additional deductible or coinsurance will be taken for any family member for the remainder of that calendar year.

Non-network deductibles and coinsurance amounts credit toward both the network and non-network out-of-pocket maximums. The network deductible and coinsurance apply only to the network out-of-pocket maximum. Copays do not apply toward out-of-pocket maximums and are collected before and after the out-of-pocket maximums have been met.

## Out-Of-Pocket Maximum (MedOne HSAavings)\*

The out-of-pocket maximum is a specific limit on the amount of covered expenses you pay per calendar year. When an individual out-of-pocket maximum level has been reached, that individual no longer pays deductible or coinsurance for the remainder of that calendar year. Out-of-pocket expenses for all family members contribute to meeting the family out-of-pocket maximum. Once the family out-of-pocket maximum has been met, none of the family members pay deductible or coinsurance for the remainder of that calendar year.

Non-network deductibles and coinsurance amounts credit toward both the network and non-network out-of-pocket maximums. The network deductible and coinsurance apply only to the network out-of-pocket maximum.

*\* This insurance plan's deductible and out-of-pocket levels are intended to satisfy government rules applicable to HDHPs. The rules may change annually. Deductible and out-of-pocket levels may be adjusted at the beginning of each year to stay within these rules. We'll notify you of any changes as soon as reasonably possible.*

## Insurance Plan Provisions

### **Pre-existing Condition Limitation**

All medical insurance plans include a pre-existing condition limitation.

A pre-existing condition means (1) a condition for which a person received medical care, treatment, services, medication, diagnosis, or consultation 6 months before the insured person's effective date of coverage or (2) a condition that produced symptoms that are distinct and significant enough to establish the onset of a condition or that the condition manifested itself, where a person learned in medicine would be able to diagnose the condition because of those symptoms, or where the symptoms would cause an ordinarily prudent person to seek diagnosis or treatment. Pre-existing conditions are covered after a period of 12 months, during which time the person has been continuously covered under the Policy.

We will waive the pre-existing limitation for conditions that are fully and completely disclosed on the application; however, we may place an exclusion or impairment rider on a certain condition(s).

## **Rating and Renewability**

Premium rates are calculated based on a variety of factors. As allowed by state law, these factors may include geographic location, provider network, distribution channels, selected benefits, age, gender, tobacco use, classes, health status of you and your insured dependents, the length of time you are insured under the insurance plan, health status of the entire pool of insureds in which you are included, administrative costs, and other factors. Your initial premium rates are guaranteed for the first 12 months of coverage providing you maintain residence in the same geographic location. Thereafter, we reserve the right to periodically adjust the premium rates charged for your coverage under the Policy. We will provide you with advance written notice a minimum of 30 days prior to the effective date of a premium change, unless state law requires additional notice.

Premiums may also change on the next premium due after the date when:

- You or your insured dependent attain a higher age;
- A dependent is added to or terminated from the insurance plan; or
- Any benefit is changed, including but not limited to, increases or decreases in a benefit, or the addition or removal of a benefit from the insurance plan.

If a premium change is for one of the reasons stated above, we will notify you as soon as possible about the change. If we find that premiums are incorrect, we will:

- Make a refund to you for any amount of overpaid premiums; or
- Request payment from you for any amount of underpaid premiums.

We reserve the right to adjust administrative and/or service fees. We will notify you prior to any change. Coverage is guaranteed renewable except when:

- Premium was due and not paid.
- We determine fraud or material misrepresentation under the terms of the contract.
- We do not renew all insurance plans with the same type and level of benefits in the state.
- We no longer sell similar health coverage in a given state.
- You or your dependents no longer reside in the network service area, if covered by a network insurance plan.
- You move to a state where, by law, we are not licensed to do business.
- The group Policy terminates.

You may terminate insurance at any time by providing us written notice prior to the requested termination date. The termination date will be the first of the month. Insurance will terminate at 12:01 a.m. Central Standard Time on the termination date.

## **Health Insurance Portability and Accountability Act of 1996 (HIPAA)**

The Health Insurance Portability and Accountability Act (HIPAA) requires various changes to individual health insurance plans. In some states, the insurer must guarantee issue such insurance plans to eligible persons who lose coverage under a prior group health plan. Such persons are not required to satisfy another pre-existing condition limitation. The new insurer may require copies of a Certificate of Creditable Coverage to determine how to apply the pre-existing condition limitation.

An eligible individual means a person who meets all of the following requirements:

- Has a total of 18 or more months of continuous creditable coverage.
- Most recent prior creditable coverage was under a group health plan, and the group health plan was not terminated for fraud or intentional misrepresentation of material fact.
- Most recent prior creditable coverage was not terminated for nonpayment of premium by the individual.
- Is not eligible for coverage under Medicare or Medicaid.
- Has elected continuation coverage under COBRA or a similar state program, and has exhausted or will soon exhaust this coverage.
- Is not covered by another plan.
- Has had less than a 63-day break in coverage from the most recent group plan.

Creditable coverage includes health insurance coverage and other health coverage, such as coverage under other group health plans, short-term medical coverage, Medicaid, Medicare, military-sponsored health care, and similar plans. Creditable coverage does not include accident-only coverage, long-term care coverage, liability or workers' compensation insurance, automobile medical payment insurance, or other similar insurance. Eligible individuals are guaranteed issue in a state sponsored (risk pool) plan.

### **Reinstatement of Coverage**

If your coverage has lapsed for nonpayment of premium, you may be able to apply for reinstatement of coverage (not available in all states). If your coverage lapses and reinstatement is available in your state, you'll receive information about how the process works. Reinstatement is not guaranteed.

## **Subrogation/Right of Reimbursement**

We do not pay benefits when other insurance also pays for the same medical expenses. We subrogate to the extent of our payment when a party causes or is liable to pay for our insured party's injury or sickness. Insureds are required to repay us from any settlement, judgment, or any other payment received from any other source.

## **Precertification Penalty**

Certain procedures that you or your doctor do not precertify with us are subject to a penalty of 10% of covered eligible charges to a maximum of \$1,000 per confinement, procedure, or occurrence.

## Limitation and Exclusions

Please read carefully.

### Medical

No medical insurance coverage is provided for any of the following unless specified elsewhere as a covered benefit for:

Alternative or complementary medicine • Any medical services for jaw-joint problems • Birth control • Bony protuberances or misalignment of forefoot and toes including bunions, spurs, and hammertoe • Care furnished by a government plan or facility • Charges for telemedicine services • Charges for growth treatments and medications including, but not limited to, growth hormones • Charges in excess of the maximum allowable charge • Charges resulting from entering into a settlement or executing a release which compensation has been accepted • Charges to complete claim forms or finance charges • Complications from discontinuing treatment against a doctor's written orders • Complications resulting from an expense not covered • Cosmetic surgery • Court-ordered treatment • Cryopreservation of body fluids or tissues • Custodial care to assist in daily living needs or services • Cutting, removal, or treatment of corn, calluses, or toenails • Dental treatment including, but not limited to, chewing injuries or dental implants • Educational materials or presentations • Emergency room care if there is no emergency • Exercise equipment or programs • Expense for which no benefit is defined or described • Experimental or investigative procedures, devices, services, supplies, or drugs • Genetic testing, treatment, therapy, or counseling • Hearing exams or hearing aids and their fitting • Hospital admission on a Friday, Saturday, or Sunday • Injury or sickness caused by use of illegal drugs or substances • Injury or sickness caused by war, military service, commission of a civil criminal battery or felony, taking part in a riot, or engaging in an illegal occupation • Intentional self-inflicted injury or attempted suicide • Items used primarily for comfort or generally used in the household, such as a humidifier • Manipulative therapy (PPO plans only) • Marriage or family counseling or sex therapy • Medical services free of charge without this coverage • Medical services to participate in sports-related activities • Missed or broken appointments • Newborn child care • Normal pregnancy • Nutritional supplements • On-the-job injury or sickness if workers' compensation is in effect • Outpatient prescriptions unless included in the plan • Pre-existing conditions • Private-duty nursing services • Replacement batteries • Routine eye or vision exams • Routine injections of drugs and immunizations • Routine physical exams and related medical services • Sclerotherapy of varicose veins • Services and supplies for hair loss or hair growth, such as hair transplants and wigs • Services and supplies not ordered by a doctor or not rendered within the scope of a doctor's license • Services and supplies that are not medically necessary • Services not documented in medical records • Services provided by a family member • Services received outside the U.S. • Services rendered when coverage is not in effect • Services that do not satisfy the definition of covered expense • Services that have not been provided • Sex change operations or complications, artificial insemination or fertilization, testing and treatment of impotency or infertility, elective abortion, sterilization reversal • Standby doctors • Storage of blood products unless approved by us or blood products that are replaced by donation • Surgery to correct eyesight, such as radial keratotomy • Tax or similar assessment • Transitional or residential living • Treatment for strained or flat feet, instability or imbalance of feet or ankles including orthopedic shoes • Treatment for tobacco or nicotine addiction • Treatment for learning disabilities, testing or training for school or vocation, speech therapy, and testing • Treatment of alcoholism, substance abuse, mental health conditions, and chemical dependency • Treatment of the following conditions during the first six months you are insured by the policy (except covered for an emergency): hemorrhoids, hernia, tonsillectomy or adenoidectomy, and varicose veins • Treatment, procedure, program, membership dues, or clinics for weight loss • Treatment that by law must be provided by an educational institution.

## **Accidental Death & Dismemberment**

No accidental death and dismemberment benefit is payable for loss resulting from:

Air travel except on a fare-paying passenger airline • Committing or attempting to commit a civil or criminal battery or felony • Driving while legally intoxicated from alcohol or while taking nonprescription drugs • Military service • On-the-job injury or sickness • Participating in a riot, rebellion, or insurrection • Sickness unless a direct result of covered injury or from accidental ingestion of a contaminated substance • Suicide or intentional self-inflicted injury or sickness while sane or insane • Voluntary taking of any drug or inhaling a gas except as prescribed • War.

## **Dental**

The following dental expenses are not covered:

Any dental supplies including, but not limited to take-home fluoride, prescription drugs and nonprescription drugs • Any dental procedures for which benefits are payable under the medical insurance provision of the certificate • Athletic mouth guards • Attempted suicide or intentionally self-inflicted injury while sane or insane • Broken appointments • Changing vertical dimension, restoring occlusion, bite registration, or bite analysis • Charges for dental services that are not documented in the dentist's records • Correcting congenital malformation • Cosmetic procedures • Cost to complete claim forms • Dental implants and related services • Dental treatment, appliance, or device related to periodontal splinting, correction of abrasion, erosion, attrition, abfraction, bruxism, or desensitizing of teeth that can be restored by other means • Diagnostic casts • Due to your participation in a riot or committing a felony • Duplicate dentures • Engaging in an illegal occupation • Expenses incurred during a waiting period • For services incurred prior to you and your covered dependent's effective date under the Policy • Gold foil restorations • Harmful habit appliances • Hospital and related anesthesia charges • Initial placement of full or partial dentures, or bridges, to replace natural teeth lost before the effective date of insurance • Lab procedures • Local anesthesia • Myofunctional therapy • Occurring during or arising from your course of occupation or employment • Occlusal guards • Oral hygiene instruction • Orthodontia • Orthognathic surgery • Participating in a professional or semi-professional contest for compensation, wage or salary • Photographs • Physical therapy • Plaque control • Precision or semi-precision attachments • Procedures not included in the classes of eligible dental expenses, not dentally necessary, not rendered or not rendered within the scope of the dentist's license • Procedures that cost in excess of the maximum allowable charge • Provided by a government plan or educational institution as allowed by law • Removal of sound functional restorations; temporary crowns and temporary prosthetics • Replacement of bridges, crowns, inlays, onlays, or veneers within seven years of the last replacement, except for loss of natural tooth • Replacement of bridges, crowns, dentures, inlays, onlays, or veneers if they can be repaired or restored • Replacement of full or partial dentures within five years of the last replacement, except for loss of natural tooth • Replacement of lost or stolen appliances or retainers • Services not incurred by the insurance termination date • Services payable by workers' compensation, whether you are eligible or are covered • Services received outside the U.S. except for emergency treatment for pain • Services rendered by a family member or someone who lives with you or provided free without insurance • Sterilization fees • Teeth that are not periodontally sound or have a questionable prognosis as determined by us • Treatment of fractures, cysts, TMJ or related conditions • Treatment of halitosis and any related procedures • War or military service.

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This is an outline only and not intended to serve as a legal interpretation of benefits. Reasonable effort has been made to have this outline represent the intent of contract language. However, the contract language stands alone and the complete terms of the coverage will be determined by the Group Policy TNI1001IN. Applicable law will apply with respect to pre-existing condition limitations, eligibility, rating, and renewability.



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