

CareFirst®  
BlueCross BlueShield



BluePreferred HSA Plans

Virginia

More to feel good about.

Why You Should Choose a BluePreferred Health Savings Account-Compatible Plan from CareFirst BlueCross BlueShield

No one can predict life's ups and downs. Emergencies, illnesses and health issues can happen at any time. That's why it's a smart strategy to cover yourself with a health insurance plan – one that can protect your savings against high medical bills. And now, you can do that with a BluePreferred HSA plan from CareFirst BlueCross BlueShield (CareFirst). Consider the advantages of membership:

- Lower-cost insurance coverage and tax-free investment options, all rolled into one plan
- Nationwide coverage in case of an emergency
- Use any doctor you want
- Broad network with negotiated discount rates mean lower out-of-pocket costs
- Dedicated, local customer service representatives
- Exclusive discounts on health & wellness services

Make sure you're covered by a company you can trust. A company that has been there for more of your neighbors, coworkers and friends than any other. And one that will be there for you — CareFirst BlueCross BlueShield. We're the company offering you more to feel good about.



BluePreferred Health Savings Account Plans

| | |
|--|----|
| BluePreferred Advantages | 2 |
| Opening a Health Savings Account | 3 |
| How the Plan Works | 4 |
| HSA Individual Example | 6 |
| HSA Family Example | 7 |
| What You Should Know About BluePreferred HSA and The Bancorp Bank | 8 |
| When You Need Care | 9 |
| Apply Today | 11 |
| Privacy Practices | 12 |
| Exclusions & Limitations | 13 |
| Additional Coverage Options | 15 |



BluePreferred HSA

Advantages

BluePreferred HSA is for people like you: people who don't like the high cost of health coverage. People who want control of their financial future.

Until recently, you could either pay a high price each month for a health plan – even if you were never sick. Or, you could go without insurance, paying more than necessary for occasional doctor visits and prescriptions. But you know that a catastrophic health situation could leave you financially stranded. Why take that risk? A sudden illness or emergency could cost tens – even hundreds – of thousands of dollars, threatening your financial security.

Now, you have protection against the high cost of medical care. CareFirst BlueCross BlueShield introduces BluePreferred HSA. Plans that leave your money choices up to you. Just look at the built-in cost savings you'll get as a BluePreferred HSA member:

- Reduced monthly premiums. BluePreferred HSA plans have high deductibles, giving you a lower monthly premium cost and allowing you to spend – or save – that money elsewhere.
- Reduced doctor's office costs. Because of CareFirst's negotiating power, you'll usually pay substantially less for doctors and hospitals than you would pay without insurance.
- Prescription drugs. Again, you'll pay CareFirst's negotiated rates for prescription drugs, saving you money over the high cost of retail drugs. And once you meet your deductible, you'll pay only a small copayment for prescriptions.
- Preventive care benefits. You'll have no deductible, just a small copayment, for preventive benefits. These work to keep you healthy, and can help you spend less money on health care in the long run.
- Tax free savings account. Your HSA funds may be deposited into any investment permitted under IRS guidelines; the earnings accumulate tax free.

Enrolling in a BluePreferred HSA plan is a great option for health coverage – one which can protect you against catastrophic health expenses without costing a lot of money up front. But a BluePreferred HSA also allows you to invest the money you save, tax-free.

BluePreferred HSA

Opening a Health Savings Account

BluePreferred HSA plans are designed to work along with a health savings account. A health saving account is almost like an individual retirement account (IRA) for health expenses. And CareFirst has made it easy for you to open a health savings account by partnering with The Bancorp Bank. Just consider how it can work for you.

You'll have money to invest.

- Instead of paying for traditional, high-cost health insurance, enroll in a lower-cost CareFirst BluePreferred HSA plan.
- Take the money you save on monthly premiums, and invest it in a tax-free health savings account. Under current IRS rules, you can deposit up to \$2,850 for self-only coverage and \$5,650 if you have family coverage. (Each year these amounts may be adjusted upward for inflation.)
- The Bancorp Bank offers BluePreferred HSA account holders a range of financial investment options once the account balance reaches \$2,500, increasing your potential earning power.
- And the moment you open your account, you'll earn a competitive interest rate.

Your money stays in your control.

- You can use the money in your health savings account to pay for smaller medical expenses, including your deductible and copayments, knowing your BluePreferred HSA plan will handle any larger medical expenses you may incur once you have met your deductible.
- Or, you can leave the money in your health savings account earning interest, or growing through other investments the bank provides.
- Bottom line: you decide when to spend your money on medical costs for you or your dependents, even if they're not covered under your BluePreferred HSA plan.
- For additional information, you can visit the IRS website at www.IRS.gov or call 1-800-829-3676.

You never lose your investment.

- Unlike the old flexible spending accounts with reimbursements for medical expenses, there is no "use-it-or-lose-it" policy. You are not obligated to use the money you contribute by the end of each year.
- Your money can remain in your health savings account and keep earning interest as long as you want it to.

You can take it with you.

- Because the health savings account is yours, it is completely portable. That means you can take it with you when you change jobs, change your medical coverage, become unemployed, or move out of state.
- At age 65, you can use the money as retirement savings, or continue to use it for medical expenses.

You get three levels of tax savings.

- All money you contribute is tax-deductible, even if you don't itemize your deductions.
- All earnings on your money in the account are tax free.
- All deductions for qualified medical expenses are tax free.

It's easy to use.

- Use your Bancorp Bank-issued CareFirst debit card to access money in your account to pay for eligible expenses.
- The Bancorp Bank provides full on-line services*. Easily view your account, investments and expenditures, any time of the day or night at www.my-healthsavingsaccount.com and toll-free at (866) 435-1373.

*Individual charges may apply

BluePreferred HSA

How the Plan Works

A BluePreferred HSA plan provides coverage – at a lower monthly rate than our standard BluePreferred products. And when you open your health savings account bank account, you’ll be able to invest your savings, tax-free.

It’s your hard-earned money. If you don’t need medical attention, you’ll save. But in the event that you need medical care, let CareFirst cover you. With a BluePreferred HSA plan, you will know what your maximum out-of-pocket expenses will be in any given year. And, you can rest easy knowing that your BluePreferred coverage has a substantial \$3 million lifetime benefit maximum for covered medical services.

Choose from two deductible* options. The higher your deductible, the lower your monthly premium.

| Option 1: \$1,200 Deductible | In-Network | Out-of-Network |
|---|--|---|
| 1. First, you pay all costs you incur for health care until you meet the annual DEDUCTIBLE . | Individual: \$1,200 Family: \$2,400 | Individual: \$2,400 Family: \$4,800 |
| 2. Next, CareFirst pays medical costs at the specified level of COINSURANCE . You pay the remaining balance. | 80% of Allowed Benefit | 60% of Allowed Benefit |
| 3. Your payments for covered expenses in any year will not exceed your OUT-OF-POCKET LIMIT . | Individual: \$2,800 Family: \$5,600 | Individual: \$5,000 Family: \$10,000 |
| 4. Should you meet your out-of-pocket limit, no further coinsurance or deductibles will be required. | 100% of Allowed Benefit | 100% of Allowed Benefit |

| Option 1: \$2,700 Deductible | In-Network | Out-of-Network |
|---|---|---|
| 1. First, you pay all costs you incur for health care until you meet the annual DEDUCTIBLE . | Individual: \$2,700 Family: \$5,500 | Individual: \$5,400 Family: \$10,800 |
| 2. Next, CareFirst pays medical costs at the specified level of COINSURANCE . You pay the remaining balance. | 100% of Allowed Benefit | 80% of Allowed Benefit |
| 3. Your payments for covered expenses in any year will not exceed your OUT-OF-POCKET LIMIT . | Individual: \$5,250 Family: \$10,500 | Individual: \$6,400 Family: \$12,800 |
| 4. Should you meet your out-of-pocket limit, no further coinsurance or deductibles will be required. | 100% of Allowed Benefit | 100% of Allowed Benefit |

With a BluePreferred HSA plan, you can see any doctor you like. However, you’ll notice significant savings when you use doctors within CareFirst’s Preferred Provider Network, which includes over 29,000 providers and 42 hospitals in the CareFirst service area. With in-network providers, you’ll pay less in coinsurance, and in-network providers cannot bill you for amounts over the rates negotiated by CareFirst BlueCross BlueShield.

**If you go out-of-network, an out-of-network deductible applies. Out-of-network service(s) will require the completion of a claim form to obtain reimbursement for the covered benefit(s).*

Virginia BluePreferred HSA

Selected In-Network Benefits at a Glance

| MEDICAL BENEFITS | YOU PAY |
|---|----------------------------------|
| Preventive Services | |
| Adult Physicals (including routine OB/GYN visits) | \$30 per visit (no deductible) |
| Well-Baby and Child Care (including exams and immunizations) | \$30 per visit (no deductible) |
| Mammograms, PAP Tests and Prostate Screening & Colorectal Screening | No charge |
| Office Visits, Labs and Testing | |
| Office Visit for Illness | \$30 per visit (no deductible) |
| X-ray and Lab Tests | Deductible and Coinsurance |
| Allergy Testing and Treatment | Deductible and Coinsurance |
| Emergency Care | |
| Emergency Room | Deductible and Coinsurance |
| Urgent Care Center | Deductible and Coinsurance |
| Ambulance (when medically necessary) | Deductible and Coinsurance |
| Hospitalization | |
| Inpatient Facility Services | Deductible and Coinsurance |
| Inpatient Physician Services | Deductible and Coinsurance |
| Outpatient Facility Services | Deductible and Coinsurance |
| Outpatient Physician Services | Deductible and Coinsurance |
| Prescription Drug Benefits* | |
| Deductible | Combined with medical deductible |
| Generic Copay | \$10 (after deductible) |
| Preferred Brand Copay | \$25 (after deductible) |
| Non-Preferred Brand Copay | \$45 (after deductible) |

*50% coinsurance on self-administered injectables with a \$75 per fill maximum.

- Under the CareFirst BluePreferred HSA plan, it is easier to manage your costs because the medical and prescription deductibles are combined. Money you spend toward covered prescriptions and medical care will go toward meeting the same annual deductible. In addition, all money you pay for covered medical and prescription costs will go toward meeting the out-of-pocket maximum.
- Your annual deductible can be met by a combination of family members receiving care, or just one family member receiving care. Once you meet the deductible each year, CareFirst begins paying benefits at the specified coinsurance level.
- Care received out-of-network is subject to higher deductibles, coinsurance and out-of-pocket limits.
- There is a 10-month waiting period for coverage on pre-existing conditions.
- Optional maternity and prenatal benefits may be added for you or your covered spouse. For an additional \$126 per month, you'll receive benefits for covered pre- and post-natal care as well as covered services associated with the delivery. There is a 10-month waiting period for maternity benefits.
- Optional vision benefits are also available.



HSA Individual: Maria

Maria is 30 years old and an avid cyclist. She carries her own health insurance since her husband's company doesn't provide her with coverage. Maria had been enrolled in an HMO, but switched to a BluePreferred HSA plan when she learned about the low rates and tax-free investment options. In fact, Maria was able to invest the money she saved in monthly premiums in her new health savings account.

Maria recently injured her knee. Thankfully, a short rehabilitation with a doctor specializing in sports medicine has her cycling once again.

| BluePreferred HSA \$1,200, 80% coinsurance in-network | | | |
|---|---------------|------------------------------------|-----------------|
| Year One | | Year Two | |
| Annual Deductible | \$ 1,200 | Annual Deductible | \$ 1,200 |
| **HSA Contribution for Year 1 | \$ 2,850 | HSA Balance from Year 1 | \$ 2,320 |
| | | HSA Contribution for Year 2 | \$ 2,850 |
| | | HSA Balance at Beginning of Year 2 | \$ 5,170 |
| | | | |
| Health Expenses: | | Health Expenses: | |
| Preventive Care @ \$30/visit | \$ 30 | Preventive Care @ \$30/visit | \$ 30 |
| Office Visits @ \$30/visit | \$ 150 | Sports Medicine Office Visits | \$ 150 |
| Lab Tests | \$ 100 | Lab Tests | \$ 100 |
| Prescription Drugs | \$ 250 | Rehabilitation | \$ 2,000 |
| | | Prescription Drugs | \$ 300 |
| | | X-Rays | \$ 200 |
| Total Health Expenses | \$ 530 | Total Health Expenses | \$ 2,780 |
| | | | |
| | | Amount Paid by CareFirst | \$ 1,264 |
| Amount Paid with HSA Dollars | \$ 530 | Amount Paid with HSA Dollars | \$ 1,516 |
| Additional Amount Paid by Maria | \$ 0 | Amount Paid by Maria | \$ 0 |
| Amount in HSA at end of Year 1* | \$ 2,320 | Amount in HSA at end of Year 2* | \$ 3,654 |

*Does not include interest accrued in Maria's Health Savings Account.

**Assume benefit period starts January 1.



HSA Family: The Walkers

Cheryl and Norman Walker are an active, energetic couple with children who have recently graduated from college. They left their jobs to start their dream career in catering. They enrolled in a BluePreferred HSA plan with a \$5,400 annual family deductible. On a recent golf outing, Norman made an unexpected trip to an urgent care facility after twisting his ankle. He made several trips to the doctor's office and received prescription drugs. Now he's ready to get back to cooking!

| BluePreferred HSA \$2,700 deductible, 100% coinsurance in-network | | | |
|---|---------------|------------------------------------|-----------------|
| Year One | | Year Two | |
| Annual Family Deductible | \$ 5,400 | Annual Family Deductible | \$ 5,400 |
| **HSA Contribution for Year 1 | \$ 5,650 | HSA Balance from Year 1 | \$ 4,825 |
| | | HSA Contribution for Year 2 | \$ 5,650 |
| | | HSA Balance at Beginning of Year 2 | \$ 10,475 |
| | | | |
| Health Expenses: | | Health Expenses: | |
| Preventive Care @ \$30/visit | \$ 60 | Preventive Care @ \$30/visit | \$ 300 |
| Office Visits @ \$30/visit | \$ 90 | Hospitalization | \$ 7,000 |
| Lab Tests | \$ 200 | Lab Tests | \$ 100 |
| X-Rays | \$ 75 | Prescription Drugs | \$ 200 |
| Urgent Care | \$ 200 | | |
| Prescription Drugs | \$ 200 | | |
| Total Health Expenses | \$ 825 | Total Health Expenses | \$ 7,600 |
| | | | |
| | | Amount Paid by CareFirst | \$ 2,200 |
| Amount Paid with HSA Dollars | \$ 825 | Amount Paid with HSA Dollars | \$ 5,400 |
| Amount Paid by the Walkers | \$ 0 | Amount Paid by the Walkers | \$ 0 |
| Amount in HSA at end of Year 1* | \$ 4,825 | Amount in HSA at end of Year 2* | \$ 5,075 |

*Does not include interest accrued in the Walker's Health Savings Account.

**Assumes benefit period starts January 1.

What Else Should I Know About BluePreferred HSA and Bancorp Bank?

You can open a health savings account if you:

- Have coverage under a health savings account-qualified plan such as the BluePreferred HSA plan
- Have no other first-dollar medical coverage
- Are not enrolled in Medicare
- Cannot be claimed as a dependent on someone else's tax return.

Eligible Medical Expenses

You can use the money in your health savings account to pay for a wide range of medical services incurred by you, your spouse, or your dependent children – even if they aren't covered by your health plan. These services include medical care, dental and vision care, prescription drugs, and over-the-counter medications. Your health savings account can also be used to pay for qualified long-term care insurance as well as Medicare premiums. You generally cannot use the money to pay your health insurance premiums, unless you are covered under COBRA or you are receiving unemployment benefits.



Choosing a bank for your health savings account

Many banks or other financial institutions have a health savings account program available. You are free to evaluate the programs offered by each institution, and choose whichever suits your needs the best. However, for your convenience, CareFirst BlueCross BlueShield has researched many banks and has chosen to partner with The Bancorp Bank. A nationally-recognized commercial bank, The Bancorp Bank provides many benefits to people who want the advantages of an HSA, but don't get their insurance through a group plan. Some key advantages of a BluePreferred HSA, administered by The Bancorp Bank, include:

- No application or account set-up fees.
- No monthly maintenance fee if account balance is greater than \$2,500; otherwise, a low monthly maintenance fee is deducted directly from your account.
- Earn interest on your account from day one.
- Gain access to investment vehicles once your balance reaches \$2,500.
- Access to a wide range of deposit locations and electronic deposit options, including an exclusive internet money mover service, wire and electronic bank transfers, direct deposit, credit card, ATM, personal check or money order.
- Free Bancorp-issued, CareFirst Visa check card for easy payment of medical expenses when you desire.
- Full on-line access to monitor your account.
- All Bancorp Bank account depositors are FDIC insured up to \$100,000.

Plus, applying for a Bancorp Bank health savings account couldn't be easier. When you apply for a BluePreferred HSA plan, Bancorp Bank will automatically send you an Enrollment Kit and application, unless you indicate you do not want to receive one.

BluePreferred HSA

When You Need Care



Utilization Management

When you need to be hospitalized or need therapy, your CareFirst contracted provider will work with the Utilization Management team to ensure you receive the right care in the right place at the right time.

Hospital Precertification and Review

If you use a CareFirst contracted provider, any time you face non-emergency surgery or hospitalization, the Hospitalization Precertification and Review program works with your provider to determine if the hospital is the most appropriate place for your procedure and recovery. If you are hospitalized, a Utilization Management nurse will review your information and assist with discharge planning or approve additional inpatient hospital days if necessary. If your doctor or hospital does not contract with CareFirst, you will need to contact us to initiate the precertification process.

Maximizing Your Drug Benefit

To help you and your family face the challenge of the rising cost of prescription drugs, CareFirst has developed drug utilization programs to encourage the use of drugs that are effective and cost-efficient in order to maximize the value of your prescription drug benefit. In addition, we frequently update the preferred drug list (Formulary) which can be found at www.carefirst.com/rx. Here you can also find tools to help you get the most from your prescription dollar such as learning how to save money with generic alternatives, finding participating pharmacies and much more.



Case Management

When faced with a serious diagnosis or condition, you and your family have many tough choices and decisions to make. The Case Management program can help you navigate the complex health care system and provide support during your time of need. Some of the conditions most frequently case managed include:

- ◆ serious trauma
- ◆ rehabilitation
- ◆ cancer
- ◆ special needs



Our case managers will:

- ◆ Work closely with you and your doctors to identify a treatment plan
- ◆ Coordinate necessary services
- ◆ Contact you regularly to see how you are doing
- ◆ Answer any of your questions
- ◆ Suggest community resources that may be available



Disease Management

Our disease management programs can help you avoid or delay the complications related to chronic conditions.

We have programs for:

- ◆ Diabetes
- ◆ Asthma
- ◆ Chronic obstructive pulmonary disease (COPD)
- ◆ Congestive heart failure
- ◆ Coronary heart disease

When you enroll, you will:

- ◆ Receive information on how to manage your condition
- ◆ Be able to call a toll-free number 24 hours a day, seven days a week, to speak with a registered nurse
- ◆ Have access to a Web site that has information about your condition
- ◆ Be able to email questions to a registered nurse



When You Need Care (continued)



Options Discount Program

Options discount program provides you with discounts on laser vision correction, hearing care services, fitness club memberships and mail order contact lenses, as well as alternative therapies such as acupuncture, massage therapy and chiropractic care.

CareFirst BluePreferred members can also receive discounts on tai chi, qi gong, pilates, yoga, nutrition counseling, guided imagery, meditation instruction, mind-body instruction and personal training.

Options is not a covered benefit under your health plan, but rather a way for you to access health and wellness practitioners at discounted rates. To find out more, visit www.carefirst.com.

FirstHelp® Nurse Line

Members of BluePreferred HSA who are sick, injured, or have medical questions can get quick help with just a toll-free phone call. The FirstHelp Nurse Line is staffed by registered nurses and is available 24-hours a day, 7 days a week. FirstHelp nurses will discuss your symptoms and concerns, then help you decide whether to contact your doctor, seek urgent care, or go to the emergency room.

Health Information on the Internet

Visit CareFirst at www.carefirst.com for your own on-line, interactive guide to health topics. Called *My Care First*, this site offers information on nutrition, fitness, chronic illnesses, mental health, and much more. You'll also find support if you're trying to lose weight, manage stress, manage blood pressure or are new parents. *My Care First* covers the latest developments in medicine and health. Check it out to learn how you can maintain a healthier lifestyle.

Apply Today for BluePreferred HSA

Applying for a BluePreferred HSA plan and a health savings account administered by The Bancorp Bank, couldn't be easier. To be eligible, each family member applying must be a resident of Northern Virginia, and must complete a medical questionnaire. The service area includes the cities of Alexandria and Fairfax, the town of Vienna, Arlington County, and the areas of Fairfax and Prince William counties in Virginia lying east of Route 123. Just follow these simple steps:

Just follow these simple steps:

1. Choose a coverage type. You can select:

- Individual (includes child-only; however, a child is not eligible for the tax-savings benefits of the HSA)
- Individual and Child(ren)*
- Individual and Adult**
- Family (2 adults and eligible dependents)*

2. Choose the plan that best fits your needs. The enclosed rate charts for each plan, coverage type, and age will tell you what your monthly premium will be.

3. Locate the application form in this packet. Be sure to answer all questions honestly and completely, and don't forget to sign your application. Make sure you check "yes" in the Maternity and/or Vision benefit selection areas.

4. Clearly indicate whether you wish to participate in The Bancorp Bank health savings account, on page 5 of the application, under "Conditions of Enrollment."

5. Mail your application in the enclosed envelope. Send no money at this time. We'll begin processing your application right away! The review process takes about 4-6 weeks. Once you have submitted your application, you can call the Application Status Hotline at (877) 746-7515 with questions. Your coverage will become effective the first of the month following the month in which we approve your application. Once effective, you'll receive your ID cards and everything else you need to get started saving.

Of course, if you have any questions at all, please don't hesitate to contact our Product Specialists at (800) 544-8703. They'll be happy to help with any questions you have regarding a BluePreferred HSA Plan.

Enrolling in a HSA is easy, too!

Once you are enrolled in a HSA plan you will automatically receive a Enrollment Kit from our preferred bank, The Bancorp Bank, unless you request otherwise on your application. As soon as your health savings account is set up, you can start saving and earning – tax free! It's that easy.



*A "Child" means your unmarried, eligible child up to age 23. Eligibility requirements are defined in the BluePreferred contract.

**An "Adult" means the spouse of the Subscriber who satisfies the eligibility requirements defined in the BluePreferred contract.

Privacy Practices

Our Commitment to Our Members

When you apply for any type of insurance, you disclose information about yourself and/or members of your family. The collection, use and disclosure of this information are regulated by law. Safeguarding your personal information is something that we take very seriously at CareFirst BlueChoice. CareFirst BlueChoice is providing this notice to inform you of what we do with the information you provide to us.

Categories of Personal Information We May Collect

We may collect personal, financial and medical information about you from various sources, including:

- Information you provide on applications or other forms, such as your name, address, social security number, salary, age and gender.
- Information pertaining to your relationship with CareFirst BlueChoice, its affiliates or others, such as your policy coverage, premiums and claims payment history.
- Information (as described in preceding paragraphs) that we obtain from any of our affiliates.
- Information we receive about you from other sources, such as your employer, your provider and other third parties.

How Your Information Is Used

We use the information we collect about you in connection with underwriting or administration of an insurance policy or claim or for other purposes allowed by law. At no time do we disclose your personal, financial and medical information to anyone outside of CareFirst BlueChoice unless we have proper authorization from you or we are permitted or required to do so by law. We maintain physical, electronic and procedural safeguards in accordance with federal and state standards that protect your information.

In addition, we limit access to your personal, financial and medical information to those CareFirst BlueChoice employees, brokers, benefit plan administrators, consultants, business partners, providers and agents who need to know this information to conduct CareFirst BlueChoice business or to provide products or services to you.

Disclosure of Your Information

In order to protect your privacy, affiliated and nonaffiliated third parties of CareFirst BlueChoice are subject to strict confidentiality laws. Affiliated entities are companies that are a part of the CareFirst BlueChoice corporate family and include health maintenance organizations, third party administrators, health insurers, long-term care insurers and insurance agencies. In certain situations, related to our insurance transactions involving you, we disclose your personal, financial and medical information to a nonaffiliated third party that assists us in providing services to you. When we disclose information to these critical business partners, we require these business partners to agree to safeguard your personal, financial and medical information and to use the information only for the intended purpose, and to abide by the applicable law. The information CareFirst BlueChoice provides to these business partners can only be used to provide services we have asked them to perform for us or for you and/or your benefit plan.

Changes in Our Privacy Policy

CareFirst periodically reviews its policies and reserves the right to change them. If we change the substance of our privacy policy, we will continue our commitment to keep your personal, financial and medical information secure – it is our highest priority. Even if you are no longer a CareFirst BlueChoice customer, our privacy policy will continue to apply to your records. You can always review our current privacy policy online at www.carefirst.com.

For questions, please contact us by calling the Member Services telephone number listed on your membership card.

Exclusions and Limitations

10.1 Medical Necessity and Appropriateness. Benefits will not be provided for services, tests, procedures or supplies which we determine are not medically necessary for the prevention, diagnosis or treatment of your illness, injury or condition. Although a service or supply is listed as covered, benefits will be provided only if it is Medically Necessary and appropriate in your particular case. A service or supply is medically necessary and appropriate only if, in our judgment, it is:

- a. Necessary and appropriate for the symptom, diagnosis, prevention or treatment of your illness, injury or condition;
- b. Consistent with the symptom, diagnosis, prevention or treatment of your illness, injury or condition;
- c. The most appropriate supply, treatment or level of service that can be provided safely to you and, if you are an inpatient, cannot be provided safely on an outpatient basis; and
- d. Not primarily for your convenience or the convenience of the provider.

Services, supplies, and accommodations will not automatically be considered Medically Necessary because they were prescribed by an Eligible Provider. We may consult with professional medical consultants, peer review committees, or other appropriate sources for recommendations on whether the services, supplies, or accommodations you receive are Medically Necessary.

10.2 Accepted Medical Practice. Benefits will not be provided for any treatment, procedure, facility, equipment, drug, drug usage, device or supply which, in our judgment, is experimental, investigational or not in accordance with accepted medical or psychiatric practices and standards in effect at the time of treatment. A service or supply is deemed to be experimental or investigational if:

- a. A preponderance of scientific data, such as controlled studies in peer-reviewed journals or literature, has not demonstrated that its use results in an improved net health outcome for a specific diagnosis;
- b. It is not in accordance with generally accepted standards of medical practice; or
- c. It does not have federal or other required governmental agency approval at the time it is received.

10.3 Free Care. Payment will not be made for services which, if you were not covered under the Group Contract, would have been provided without charge, including any charge or any portion of a charge which, by law, the provider is not permitted to bill to or collect from the patient directly.

10.4 Routine Care of Feet. Benefits will not be provided for any services in connection with corns, calluses, flat feet, fallen arches, weak feet, chronic foot strain, symptomatic complaints of the feet or partial removal of a nail without the removal of its matrix. However, benefits will be provided for these services if we determine that medical attention was medically necessary because of a medical condition affecting the feet, such as severe diabetes and, that all other conditions for coverage have been met.

10.5 Dental Care. Except as provided in Section 3.9, above, benefits will not be provided for any other type of dental care including extractions, treatment of cavities, care of the gums or bones supporting the teeth, treatment of periodontal abscess, removal of impacted teeth, orthodontia, false teeth or any other dental services or supplies, unless provided in a separate Rider or Endorsement to this Agreement.

10.6 Oral Surgery. Benefits are limited to non-dental diagnostic procedures for congenital defects, such as hare lip, cleft palate, or ectodermal dysplasia and for medically necessary medical or surgical procedures occurring within or adjacent to the oral cavity or sinuses including, but not limited to procedures to correct accidental injuries of the jaw, cheeks, lips, tongue, roof and floor of the mouth when such injuries occurred while covered under this Certificate; the reduction of, dislocation of, or excision of temporomandibular joints; procedures involving accessory sinuses, salivary glands or ducts; excision of tumors and cysts of the jaw, cheeks, roof and floor of the mouth when pathological examination is required; excision of exostosis of the jaw and hard palate when not related to the fitting of dentures; extraoral incision and drainage of abscesses with cellulitis. All other procedures involving the teeth or areas surrounding the teeth will not be covered, except for diagnostic and surgical treatment involving a bone or joint of the head, neck, face or jaw, if the treatment 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.

10.7 Cosmetic Services. Benefits will not be provided for plastic surgery, cosmetic surgery or other services primarily intended to correct, change or improve the Member's appearance. Except as provided in paragraph (b) below, such services are excluded, regardless of the underlying cause of the condition or any expectation that an alteration of the patient's appearance may be psychologically or developmentally beneficial to the patient. Benefits for reconstructive surgery are limited to surgical procedures which, in our judgment, are:

- a. Medically necessary to correct conditions which have resulted in a functional physiological defect; or
- b. Required to correct a congenital anomaly (must be a physical defect that was apparent at birth) that has produced a major physical effect on the Member's condition and provided the surgery or procedure can be reasonably expected to correct the condition; or
- c. Required to correct conditions which have resulted from accidental injury or non-cosmetic surgery if:
 - The accident or surgery has produced a major physical effect on the Member's appearance; and
 - At the time of the accident or surgery, the Member was covered under the Group Contract or another Plan-issued contract; and
 - In our judgment, the surgery can be reasonably expected to correct the condition.

Exclusions and Limitations (continued)

10.8 Prescription Drugs. Except as provided in a separate rider or endorsement to this Agreement, benefits will not be provided for prescription drugs, unless administered to you in the course of covered outpatient or inpatient treatment. Take-home prescriptions or medications, including self-administered injections which can be administered by the patient or by an average individual who does not have medical training, or medications which do not medically require administration by or under the direction of a physician are not covered, except as may be provided in a separate rider or endorsement to this Agreement, even though they may be dispensed or administered in a physician or provider office or facility.

10.9 Organ Transplants. Organ transplant procedures, including complications resulting from any such procedure, and services or supplies related to any organ transplant procedure such as, but not limited to, high dose chemotherapy, radiation therapy or any other form of therapy, or immunosuppressive drugs are not covered, except as provided in Sections 3.10 and 3.11, above.

10.10 Other Exclusions. Benefits will not be provided for the following:

- a. Services or supplies received before the effective date of your coverage under this Certificate.
- b. Treatment of sexual dysfunctions or inadequacies except for surgical implants for impotence (medical therapy and psychiatric treatment are not covered).
- c. Any procedure or treatment designed to alter an individual's physical characteristics to those of the opposite sex.
- d. Weight reduction or obesity treatment.
- e. Speech therapy, occupational therapy or physical therapy that is maintenance therapy for a chronic disease or condition or nonmedical ancillary services such as vocational rehabilitation, employment counseling, or educational therapy.
- f. Fees and charges relating to fitness programs, weight loss or weight control programs, physical, pulmonary conditioning programs or other programs involving such aspects as exercise, physical conditioning, use of passive or patient-activated exercise equipment or facilities and self-care or self-help training or education. Cardiac rehabilitation programs are covered as described in Section 4.3f., above.
- g. Medical or surgical treatment of myopia or hyperopia, including radial keratotomy and other forms of refractive keratoplasty or any complications thereof.
- h. Services to the extent they are covered by any governmental unit, except in Veteran's Administration or armed forces facilities for services received, such as for non-service connected disabilities, for which the recipient is liable. Services or supplies for injuries or diseases related to a covered person's job to the extent the covered person is required to be covered by a workers' compensation law. Services or supplies resulting from accidental bodily injuries arising out of a motor vehicle accident to the extent the services are payable under a medical expense payment provision of an automobile insurance policy.
- i. Services that are beyond the scope of the license of the provider performing the service.
- j. Except for covered ambulance services, travel, whether or not recommended by an Eligible Provider.
- k. Services or supplies for conditions that State or local laws, regulation, ordinances, or similar provisions require to be provided in a public institution.
- l. Services or supplies received from a dental or medical department maintained by or on behalf of an employer, mutual benefit association, labor union, trust, or similar persons or groups.
- m. Contraceptive devices.
- n. Assistive reproductive procedures, including artificial insemination, in vitro fertilization, embryo or ovum transplants and gamete intra-fallopian tube transfer, zygote intra-fallopian transfer, or cryogenic or other preservation techniques used in these or similar procedures.
- o. Partial removal of a nail without the removal of the matrix.
- p. Services solely on court order or as a condition of parole or probation unless approved by the Plan.
- q. Any illness or injury caused by war, declared or undeclared, including armed aggression.
- r. Any service, supply or procedure which is not specifically listed in your Certificate as a covered benefit.

Exclusions from the CDH Drug Rider

No benefits will be provided under this Rider for:

1. Any devices, appliances, supplies, and equipment other than those specified in Section B, of this Rider;
2. Routine immunizations and boosters such as immunizations for foreign travel, and for work or school related activities;
3. Prescription Drugs intended solely for cosmetic use;
4. Prescription Drugs administered by a physician or dispensed in a physician's office;
5. Drugs, drug therapies or devices that are considered Experimental Or Investigative by CareFirst or the FDA;
6. Drugs or medications lawfully obtained without a prescription such as those that are available in the identical formulation, dosage, form, or strength of a prescription ("Over-the-Counter" medications);
7. Therapeutic classes where there is a therapeutic equivalent Over-the-Counter product available.
8. Vitamins, except CareFirst will provide a Prescription Drug benefit for:
 - a. prenatal vitamins;
 - b. fluoride and fluoride containing vitamins; and,
 - c. single entity vitamins, such as Rocaltrol and DHT.
9. All infertility drugs or agents;
10. Any portion of a Prescription Drug that exceeds:
 - a. A thirty-four (34) day supply for non-Maintenance Drugs; or,
 - b. A ninety (90) day supply for Maintenance Drugs;
11. Prescription Drugs that are dispensed by a nursing home, extended care facility or other such facility for use during a skilled nursing facility inpatient stay.
12. Appetite suppressants;
13. Biologicals and allergy extracts; and,
14. Blood and blood products. Refer to the medical benefits under the Certificate.

Additional Coverage Options

Vision Options

Vision care coverage can also be added to your plan. Vision services are offered by CareFirst through our network administrator, Davis Vision, Inc. When you use the network of providers, you're guaranteed a routine annual eye exam for only \$10. Plus, through Davis Vision, Inc., you receive discounts on frames and lenses, or contact lenses.

For information on vision providers, call Davis Vision, Inc. toll-free at **1-800-783-5602**.

Your vision benefits are not available until after you are approved for medical coverage. Once you are approved for coverage, you will be provided with more specific information about your vision programs. To qualify for benefits, you must select the same type of coverage as the medical portion of your BluePreferred HSA program.

Coverage Available from CareFirst BlueCross BlueShield:

Our Product Specialists can provide information regarding a wide variety of other insurance programs from CareFirst BlueCross BlueShield and its affiliates, to meet your individual needs, including:

BluePreferred* & BluePreferred-Saver*

A Preferred Provider Organization (PPO) Plan providing freedom of provider choice with a variety of options including three high-deductible options to lower your premiums.

Supplement-65*

Traditional coverage to supplement your Medicare policy For more information on this plan, please call our Product Specialists toll-free at **1-800-275-3802**.

HIPAA Coverage

Products are available without medical underwriting or pre-existing condition waiting periods for those who meet the criteria specified by the Health Insurance Portability and Accountability Act (HIPAA).

Coverage Option from CareFirst BlueChoice, Inc**.:

BlueChoice HSA*

A flexible HMO plan with a health savings account-compatible plan.

**Medical questionnaire must be completed.*

*CareFirst BlueChoice, Inc.** HMO also offers a product without medical underwriting or pre-existing condition waiting periods for those who meet the criteria specified by the Health Insurance Portability and Accountability Act (HIPAA). Even if you are HIPAA eligible, you have the option to be medically underwritten and qualify for a lower rate.*

CareFirst BlueChoice, Inc. is an independent licensee of the Blue Cross and Blue Shield Association. © Registered trademark of the Blue Cross and Blue Shield Association. ® Registered trademark of CareFirst of Maryland, Inc.

Policy Form Numbers:
VA/CF/HSA100 (6/05)
VA/CF/HSA80 (6/05)
VA/CF/IND HSA RX3 (R. 7/06)
V/DP/IEA 5/96
PPP-A-BPDB 4/96
ELIG-C BPDB 4/96
And any amendments



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