

BENEFIT PLAN CHANGES

BlueEssential

Effective upon renewal on and after October 1, 2010 for current groups, the following changes will apply to this benefit plan:

BEHAVIORAL AND MENTAL HEALTH

The behavioral and mental health benefits covered under this benefit plan will be changed as follows:

Current Outpatient Services and Cost-Sharing: Currently, members pay the applicable physician office visit copay (per member, per provider, per day and up to the physician office visit copay limit) for outpatient office visits to in-network physician providers. Members pay deductible and in-network coinsurance for outpatient services provided by in-network outpatient facility providers and professional providers other than physicians. Members pay deductible and out-of-network coinsurance (plus the balance bill if services are received from noncontracted providers) for outpatient services provided by out-of-network providers. Deductible, copays and balance bills do not apply to out-of-pocket coinsurance maximums.

Members currently pay a copay per visit for outpatient services provided through the behavioral services administrator (BSA).

New Outpatient Services and Cost-Sharing: Covered behavioral and mental health outpatient services provided by in-network professional providers in a home or office location will now be paid at 100 percent of the BCBSAZ allowed amount. Members will pay deductible and in-network coinsurance for outpatient services provided by in-network providers in locations other than the home or office. Members will pay deductible and out-of-network coinsurance (plus the balance bill if services are received from noncontracted providers) for outpatient services provided by out-of-network providers. Deductible and balance bills will not apply to out-of-pocket coinsurance maximums.

Members will continue to pay applicable deductible and coinsurance for physical, occupational and speech therapy and home health billed with a mental health diagnosis, regardless of the location where services are provided.

Outpatient services provided through the BSA will now be paid at 100 percent (Copay is waived).

DEPENDENTS

Currently, unmarried adult children age 19 and older who are full-time students or participating in gratuitous humanitarian activities are eligible for coverage under this benefit plan until the adult child turns age 25, but lose coverage if they lose student status or cease the humanitarian activities. Now, children will be eligible for coverage under this benefit plan until the child turns age 26. Adult children between age 19 and 25 no longer have to be full-time students or engaged in gratuitous humanitarian activities to be eligible for coverage under this benefit plan. Children no longer have to be unmarried to be eligible for coverage under this benefit plan. Adult children cannot be eligible for other employer-sponsored health insurance coverage to be eligible for coverage under this benefit plan.

DURABLE MEDICAL EQUIPMENT (DME)

Currently, this benefit plan has a limit of one unit or one pair per member, per calendar year for prosthetic appliances and orthotics. This benefit plan will no longer have a limit of one unit or one pair of prosthetic appliances and orthotics per member, per calendar year.

EDUCATION AND TRAINING

Currently, this benefit plan has a limit of three nutritional counseling and training visits per member, per calendar year. This benefit plan will no longer have a three visit limit on nutritional counseling and training per member, per calendar year.

EOSINOPHILIC GASTROINTESTINAL DISORDER

Currently, this benefit plan has a combined in- and out-of-network per member, per calendar year maximum of \$20,000 for amino acid formula for members with EGID (if the formula is not the sole source of the member's nutrition). This benefit plan will no longer have a per member, per calendar year maximum of \$20,000 for formula for members with EGID.

HOME HEALTH

Currently, this benefit plan covers home health and home infusion medication administration services up to a maximum of 3 two-hour visits per member, per day. This benefit plan will no longer have per hour and per day visit limits on home health and home infusion medication administration services.

HOSPICE

Currently, this benefit plan has a 5 day limit (per 21 day period) on inpatient hospice respite care. This benefit plan will no longer have day limits on inpatient hospice respite care.

INPATIENT EXTENDED ACTIVE REHABILITATION

Currently, this benefit plan has a combined in- and out-of-network per member, per calendar year limit of 120 days of EAR services. This benefit plan will no longer have a per member, per calendar year day limit on EAR services. In addition, although there will no longer be a day limit, coinsurance for all days after 120 days will be at 50 percent for the remainder of the calendar year.

LONG-TERM ACUTE CARE

Currently, this benefit plan has a combined in and out-of-network per member benefit plan maximum of 365 days of inpatient long term acute care services. This benefit plan will no longer have a benefit plan day limit on inpatient long term acute care services.

MEDICAL FOODS

Currently, this benefit plan has a combined in- and out-of-network per member, per calendar year maximum of \$5,000 for medical foods. This benefit plan will no longer have a per member, per calendar year maximum of \$5,000 for medical foods.

PHYSICIAN SERVICES

Currently, members pay in-network deductible and coinsurance for in-network physician home visits. Members will now pay a copay (per member, per provider, per day) for in-network physician home visits.

PLAN MAXIMUM

Currently, this benefit plan has a \$5,000,000 per member benefit plan maximum. This benefit plan will no longer have a per member benefit plan maximum.

PREVENTIVE SERVICES

Currently, foreign travel immunizations are not covered when provided by an out-of-network provider. Certain foreign travel immunizations will now be covered when provided by out-of-network providers, as determined by BCBSAZ. Members will pay deductible and out-of-network coinsurance (plus the balance bill if services are provided by a noncontracted provider) for foreign travel immunizations. Call the BCBSAZ Customer Service Department or go to azblue.com for information regarding the foreign travel immunizations that will be covered when provided by out-of-network providers.

PRE-EXISTING CONDITION EXCLUSION WAITING PERIODS

Currently, this plan applies an 11 month pre-existing condition waiting period to members regardless of the member's age. Pre-existing conditions are conditions, regardless of the cause of the condition, for which medical advice, diagnosis, care or treatment was recommended or received during the 6 month period immediately preceding a member's enrollment date. Coverage for service related to a pre-existing condition exclusion or complications related to the condition will not begin until 11 consecutive months have elapsed from the member's enrollment date. The waiting period is shortened by prior creditable coverage. See your benefit plan booklet for additional information regarding pre-existing condition waiting periods.

This benefit plan will no longer apply pre-existing condition exclusion waiting periods to members under the age of 19.

ROUTINE VISION EXAMS

Currently, this benefit plan has a limit of one routine vision exam per member, per calendar year. This benefit plan will no longer have a limit on routine vision exams. Currently, members receive reimbursement (up to a dollar limit) for routine vision exams received from out-of-network providers. Members will now pay deductible and out-of-network coinsurance (plus the balance bill if received from noncontracted providers) for routine vision exams received from out-of-network providers.

SKILLED NURSING FACILITY SERVICES

Currently, this benefit plan has a combined in- and out-of-network per member, per calendar year limit of 180 days of SNF services. This benefit plan will no longer have a per member, per calendar year day limit on SNF services. In addition, although there will no longer be a day limit, coinsurance for all days after 180 days will be at 50 percent for the remainder of the calendar year.

Federal and state statutes and regulations may require additional changes to this benefit plan. BCBSAZ will advise employer groups and members of any additional changes to this benefit plan required by applicable federal and state law.